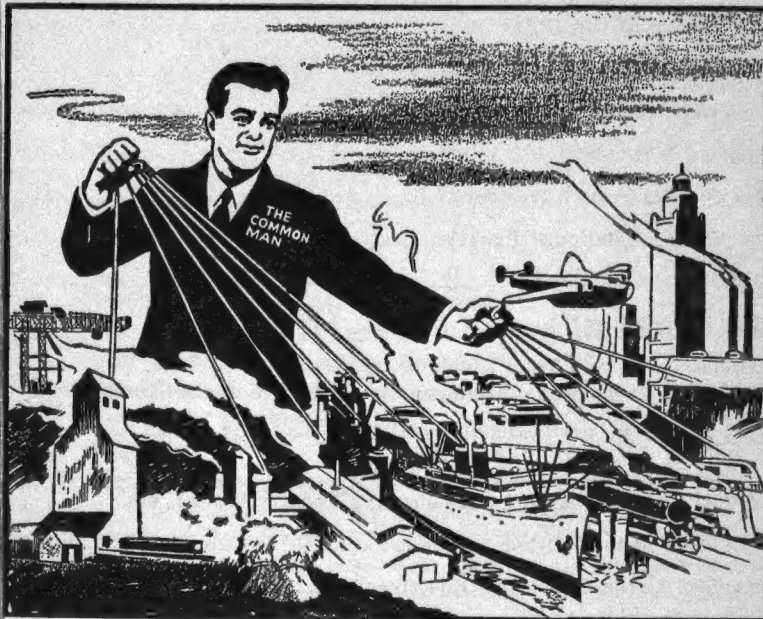


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IS SOCIALISM THE ANSWER?

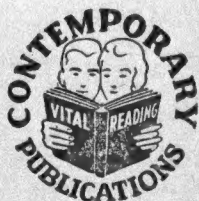
The Intelligent Man's Guide to Basic Democracy

by **WILLIAM IRVINE**



"Most of the social and political ills from which you suffer are under your control, given only the will and courage to change them. You can live in another and wiser fashion if you choose to think it out and work it out. You are not awake to your own powers."

—PLATO: *The Republic*.



WINNIPEG, CANADA

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CONTENTS

An Economy of Waste and Disaster	4
Capitalism Costs Too Much	7
The Legacy of Free Enterprise	13
Insecurity and Mental Distress	15
The Ugliness of Our Cities	17
Proof of Managerial Inefficiency	18
The Truth About Life Insurance	21
Fraud Pays Dividends	23
Who Benefits From Advertising?	25
The "Public Relations" Racket	27
What the People Need	29
What is Socialism?	36
Socialist Terms and Their Meaning	38
(Defining Economic Determinism, Social Justice, Class Struggle, etc.)	
What is Fascism or "National Socialism"?	43
Leading Objections to Socialism Answered	44
(What about Incentive? Bureaucracy? Regimentation?, etc.)	
Socialism and the Worker	51
Organized Labor States Its Objectives	59
The Right to Work	60
Politics Cannot Be Ignored	63
Socialism and the Farmer	65
Co-operation: The Better Way	69
Why Co-operatives Should Not be Taxed	70
Needed Reforms for Farmers	73
Co-operative Farming	74
Socialism and the Soldier	79
What We Should Do For Our Servicemen	83
Stop the Next War Now	84
Can a Christian Defend Capitalism?	87
Socialism on the March in Europe	89
The Time for Decision is Now!	93

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THE PURPOSE OF THIS BOOK

Great masses of the people are asking questions which would not have occurred to them a decade ago.—MARY HEATON VORSE.

This is essentially a book of Questions and Answers.

The questions it asks, and the answers it provides, are concerned not with the prosperity and security of the few, but with the prospects of Peace, Security and Freedom for all. In short, it is concerned with the needs and aspirations, the fears and hopes of the Common Man, his wife and children.

The approach to our subject is twofold: scientific and humanitarian. Scientists tell us there is no way of even beginning to get the right answers unless we first ask the right questions.

The fundamental questions we propose to ask are:

What is an Economic System for, and whom should it benefit?
Has Capitalism failed, and, if so, why?

What is wrong with our present social order, and by what means could the necessary adjustments be made?

Who is for, and who is against, social change—and shall the "Century of the Common Man" be ushered in through Reform or Revolution?

We begin by taking a quick backward glance at the face of the Old Order—just long enough to see how and why we arrived at our present predicament. Then we survey the basic requirements for genuine democracy (meaning: a fuller, freer and more abundant life for all) and some of the proposed methods of achieving it. Nor shall we overlook the great economic, political and psychological barriers which the people must hurdle before they can erect the foundations for a life worthy of the human race.



An Economy of Waste and Disaster

An economy that relies for its stimulation on waste and disaster is taking the road to oblivion as surely as the dinosaurs...

—STUART CHASE.

The cost to the people now living as well as to generations yet unborn of capitalism's wanton waste of natural resources is one of the most tragic stories of history.

Driven by its insatiable greed for quick profits, it swept across the Dominion in waves of destruction. Fur-bearing animals were cleaned out to the point of extinction. There was no forethought, no attempt at conservation. Kill, grab and make profit was the only thought. In a comparatively short time Canada had sacrificed her rich resources of fur and as a recompense she got the Hudson Bay Company with its "Pro Pelle Cutem" established in all her large cities.

A report of hearings on agricultural appropriations in the United States in 1937 supplies a picture of the destruction of wild life which is appalling and which probably is quite as true of Canada as of the United States. This report quotes seven species of wild birds already extinct and gives twenty-six other species as being on the verge of extinction. As to mammals, many of which are fur-bearing animals, the report shows that ten species are already extinct, while twenty-six are threatened with extinction. A similar story is told of salmon, sturgeon, shad, lobsters, oysters, shrimps, scallops and clams.

Denuding the Forests

The next resource to fall a prey to the greed and profit lust of a few was our great forests. Through the vast timberlands of Eastern Canada and of British Columbia the profit-seeking scourge swept like a consuming fire. Destroying in the process as much or more than was taken, never stopping to protect the growing timber from the ravages of fire nor to plant a tree in the place of the one cut down, the forest robbers denuded the rich timber lands of our country. What a monument is this to the efficiency and integrity of Big Business! It made a few millionaires, to be sure, but in doing so it destroyed a valuable national resource and thereby impoverished all future generations. The effects of denuding our forests—of land erosion and floods—adds to the social crimes under review.

The Forest Service of the United States prepared a balance sheet for the lumbering business in 1928. You will find it in "Rich Land, Poor Land" by Stuart Chase. Here it is:

	Per cent
Total wood removed	100
Waste in the woods	25
Waste in the mills	12
Decay in storage and service.....	20
Miscellaneous waste	11
Total waste	68
Total wood utilized	32

Here then is a waste of 68 percent in the actual process of production. And this takes no account of the failure to replace by proper reforestation all timber cut. It may be safely assumed that a similar loss to the public takes place in Canada's lumber industry.

Wheat Mining Ends in Soil Erosion

Having shown a destructive efficiency of 68 percent in the forests, our free enterprisers next swarmed over the fertile virgin prairies. By vast real estate booms, bolstered up by immigration, they were able to sell all the best land at prices far beyond the value of the crops that could be grown thereon in a generation. In this way the new-born agricultural industry entered a period of slavery. Burdened with debt at its birth, and saddled with usury rates of interest, the farming industry was mortgaged to the get-rich-quick real estate sharks.

The planless, wild-eyed hysteria in real estate had very decided repercussions. Farmers, in their desperation to clear themselves from financial entanglements, were forced to become miners of the soil rather than agriculturists. At the same time many of them had been settled on land unsuitable for farming.

After generations of what was little short of slavery, paying to mortgage companies that which their families required for a bare existence, the successors to these pioneers had to give up the struggle. Others on land more suitable for farming robbed the soil in a vain effort to retain possession of it. There was no time to conserve the soil. Debt charges must be met. For, once the interest payment lapsed and compounding of interest set in, the farm was known to be on its way to the mortgage company. They had to keep on mining it. At least so they thought, and so they did. The result was that by constantly taking away from the land and putting little or nothing back, the fertility of the soil was depleted. Farming lands became impoverished. Added to this, dust bowls developed on the western plains just as they did in the Dakotas. Erosion by both wind and water now goes on to complete the devastation.

Morris L. Cooke, as quoted in "Rich Land, Poor Land," says: "Just as with bodily disease such as cancer or tuberculosis, which can be cured only in the early stages, so it is with soils built up through the ages. Once ravished beyond a certain point, they are incapable of restoration except by nature's slow processes, which are measured not in tens, but in thousands of years. Leaving out all ifs and buts, running the risk of being precise in an area where precision may have no place, I believe that at our present rate of soil erosion, this country of ours has left to it less than a century of virile existence. We have two decades at most to plan our campaign."

Quoted in the same work is a report of the National Resources Board of the U.S.A. in respect to the losses from "erosion, depletion and leaching." The following is the table showing, in tons, the extent of the losses:

	Losses	Gains	Net Loss
Organic Matter	322,000,000	100,000,000	220,000,000
Nitrogen	16,100,000	11,800,000	4,300,000
Phosphorus	2,500,000	1,100,000	1,400,000
Potassium	36,200,000	4,800,000	31,400,000
Calcium	53,600,000	13,800,000	39,800,000
Magnesium	16,800,000	4,600,000	12,200,000
Sulphur	11,300,000	8,700,000	2,600,000

The above figures were based on a study of a billion acres of farm lands.

Further evidence goes to show that in the U.S.A. 100 million acres of what was once good soil are now eroded beyond all hope of making a living, another 165 million acres are in an advanced stage of deterioration. For example, since farming began in the state of Iowa it has lost a total of thirty billion tons of first class soil through erosion.

Depletion of soil fertility, through mining the land, erosion and floods, has not yet reached that advanced stage in Canada which alarms thoughtful people in the U.S.A. But Canada is most certainly travelling the same road. Our losses are already very great. They will continue to grow greater still unless the public takes control in time to preserve its own domain.

Free Enterprise Fiddles While Turner Valley Burns

This almost incredible story of waste continues through every phase of our industrial development. The search for speedy riches moved from the surface to the bowels of the earth. Minerals and oil, no matter how plentiful, are strictly limited. They represent the stored-up wealth of millions of years. When once taken out they can never be replaced.

But what was this great romance of nature to the profit-greedy buccaneers of Big Business? They pounced upon it with destructive hands just as they did upon the fur-bearing animals, the timber and the soil.

The oil fields of Turner Valley in Alberta have blazed high in the heavens for a quarter of a century as if in warning of the danger from the spollers. In their haste to rob and drain the field of its oil, well after well was drilled. Whether oil was struck or not, these wells released the valuable gas. To have preserved this gas resource would have cost its exploiters something, and so it was not preserved. It poured into the air a constant volume. According to the records of the Alberta Lands and Mines Department, 975,000,000 cubic feet of gas had been released into the air and absolutely wasted from the opening of the field until 1938, when this evidence was given before a committee of the Legislature. This volume of gas was ignited. From its blazing waste the people within a 50 mile radius of Turner Valley could feast their eyes on a home-made "Aurora Borealis" which lit up the night sky for a quarter of a century. The people's wealth still blazes in a hell-fire of warning against the alleged economy of "free private enterprise."

In addition to this loss of gas, testimony was given to the same Legislative committee that "There had been losses of approximately 200,000,000 barrels of oil in the formation up to the present time (1938) due

to depletion of pressure and the movement of this oil up into the gas-cap." 200,000,000 barrels of oil at \$2.00 a barrel is \$400,000,000. That is quite a loss to the people of Alberta from one oil field. But "free private enterprise" still fiddles while Turner Valley burns.

Competent authorities in the United States have estimated that for every barrel of oil recovered from United States oil fields five barrels are wasted largely because the gas pressure has been lowered in a manner similar to that in Alberta. And similar losses of the people's wealth in the mining of coal, copper and other minerals are reported.

This is not a comprehensive survey. It is a selection of examples to illustrate something of that loss to the people which constantly takes place under the present ruinous system. Here are the percentages of the mineral and timber resources of the United States which have already been used or destroyed:

28% of the iron, 52% of the copper, 66% of the lead, 58% of the zinc, 80% of the gold, 55% of the oil, 23% of the anthracite coal, 1% of the bituminous coal and 76% of saw timber have already been used up in that country. These are pre-war figures and therefore the actual picture is much worse now than the above percentages indicate. The same process is going on here. And as we have seen, more is utterly wasted than is actually used.

Capitalism Costs Too Much

Having made our brief survey of the havoc wrought upon our natural resources by the socially irresponsible behavior of the "robber barons," let us now see what happened to our human resources during the heyday of their prosperity through pillage and plunder.

In theory, even the most privileged will render eloquent lip service to the proposition that our human resources are the most precious and valuable of all. But, in practice, let us not be surprised when we find that those who, in their lust for personal profit, were so indifferent to the fate of our natural resources, might turn out to be equally indifferent to the effects of their economic conduct upon our human resources. The cost of capitalism, in terms of human welfare, merits investigation. We shall proceed to do so.

Destruction of natural resources is only one of the faucets of waste turned on by the hands of private enterprise, reputed to be so efficient and so economic. In fact, that waste was not premeditated. It was rather an incident in the blind jungle scramble for personal gain.

But the deliberate destruction of wealth produced by our own people, from natural resources which should be theirs and isn't, goods that thousands of people need and need badly to sustain their lives, is a practice which would shame the Imps of Hell.

It is common knowledge, that during the worst depression years when millions of people were in want, great quantities of food were allowed to waste or were deliberately destroyed. Tons upon tons of vegetables were

left to rot in the fields from one end of America to the other. Fruit of all sorts met a similar fate. Orange dumps a mile long could be seen in various stages of decomposition; deep ravines and gulleys in the British Columbia fruit belt became the graves of hundreds and thousands of tons of apples, peaches and plums. People were lining up in queue to receive a measured-out bare subsistence, while granaries were plugged with wheat, barley, oats, rye and flax. Mined coal deteriorated for months and years, while people in their homes were uncomfortable or at the point of freezing to death. Farmers in Saskatchewan who needed coal that was wasting as it lay exposed to the elements, had to burn wheat in their heaters to keep from freezing.

People of the U.S.A. and Canada never have produced enough food to maintain a decent standard of living for all. And yet the depression saw this prodigious waste of food. Millions of head of cattle, sheep and swine were sacrificed to the blind stupid god of artificial supply and demand.

Was there a purpose in all this destruction of wealth? Yes, there was, but it was a purpose which could be accepted from a lunatic, but not from men as wise and efficient as our big business executives represent themselves to be. Here, in a word, was the explanation. Effective demand determines the price structure of a profit market. In the old days of unhampered competition prices would have dropped when goods on the market exceeded effective demand. Accordingly the people who had real needs but not sufficient purchasing power to turn it into "effective demand" would have been able to benefit by the market surplus. A lower price was tantamount to an increase of income.

Not so today. By monopolies, cartels, price fixing arrangements between competing concerns who have a common interest in maintaining a profit price level, a very different course is followed. Destruction of any surplus above effective demand and restriction of production are the practices. And so the purpose of this Mad Hatter system is to destroy and restrict production so that it may be necessary to keep on producing a definite but wholly artificial effective demand.

Mr. Stuart Chase in his book "Where's the Money Coming From," says of the system, "While the efficiency engineers save a few drops at the spigot, a torrent is rushing out of the bung-hole. What is the use of making two blades grow where one grew before when the whole crop may be burned or abandoned? An economy that relies for its stimulation on waste and disaster is taking the road to oblivion as surely as the dinosaurs, those creatures that were all bulk and no brains . . . I have in my files pictures of veritable mountains of oranges, potatoes, coffee, marked for destruction. Nearly every farm crop has been plagued by surpluses since the last war. . . . In the case of factories, the problem of surplus is present in the form of excess capacity, but the mountains of unsold manufactured goods cannot often be photographed. A factory can close down faster than a growing crop."

The Loss Through Restricted Production

The enormous loss to the people of Canada as well as of other countries, resulting from the destruction of goods which were in excess of the effective demand is beyond calculation. The wealth that was produced, and which could have filled the empty stomachs and covered the bare backs of millions of needy people, was denied them. That denial was the effect of an economic system designed and organized to achieve a purpose other than that of supplying the people's needs.

Great and incalculable though the loss of created wealth is to the people, the loss to them through their being deliberately prevented from using available means to supply their needs is greater still. This loss was clearly indicated by a National Survey of Potential Production Capacity by the U.S. government in 1935, under the direction of Mr. Harold Loeb. The whole burden of the N.S.P.P.C. report was that while people were in need of much more of the essentials of life than they were permitted to have and while the physical capacity of the producing system could have supplied that need, it had not done so. "The National Survey was initiated and carried through in order to measure the consequent loss. The difference between actual production and possible production represents the cost to the people. . . . of maintaining present financial institutions."

That cost was shown to be very high even in the most prosperous year in the history of the U.S.A. The consumer loses the difference between the goods and services which are actually produced and the goods and services which could have been produced. The American consumer lost 42 billion dollars in 1929.

Roughly 93 billion dollars worth of consumers goods was the amount produced in 1929. The amount which could have been produced was 135 billion. And according to a table in the "Chart of Plenty" the American people lost 287 billion dollars in real wealth from 1929 to 1933. This astronomical sum of wealth was lost in 5 years through the deliberate restriction of production by those who claimed the right to stop production when it seemed in their personal interests so to do. This restrictive power was based on their legal claim to ownership of the means of production.

From 1932 to 1940 Canada's national income (as given in the Canada Year Book) ranged in round numbers, from a low of \$2,700,000,000 in 1933, to \$5,400,000,000 in 1940. In 1943 Canada's total production reached the 9 billion dollar mark. This is equal to an income of \$3,500 for every family in Canada. There seems to be no good reason why Canada could not have produced as much each year from 1932 up to 1945 as she did in 1942.

Loss Through Unemployment

Economic loss through unemployment is very great. It has probably never been estimated even approximately. The loss in human values, which is greater still, will never be calculated. The only thing attempted here is to emphasize the reality of economic loss by taking an example or two from past records. For generations unemployment has been growing. It was

long attributed to laziness or lack of thought on the part of the victims. Speeches which oozed that sort of bilge were heard in our parliaments as late as the early thirties. When at last unemployment began to appear as one of the inevitable phases of the accepted economic system, it was given little consideration unless it reached unusual proportions. For instance, a million or two unemployed in Britain, three or four million in U.S.A. and a couple of hundred thousand out of work in Canada was regarded as normal. It was not until the middle thirties when there were thirty million unemployed in Europe (not counting Russia, as there was no unemployment there) and America, that it became a matter of grave concern to governments.

When at last unemployment was recognized as the grave problem that it is, the so-called remedies applied were pathetically inadequate and tended toward still further loss both in the economic sense and in its purely human phase. Soup kitchens and relief camps were the chief remedies applied in Canada. These were void of economic value, and exerted a demoralizing and degrading effect upon the recipients. To have put the unemployed to work building the homes so badly needed by the Canadian people, for example, would not only have given them work and wages, but would have been an economic advantage to the nation.

Building homes was not the only necessity. Canada needed a vast program of power development, reforestation and irrigation; she needed thousands of miles of highways, roads and bridges to provide means of adequate transport for an expanding economy; she needed schools and hospitals and vastly extended social services. These and other projects would have absorbed the creative capacity of the population, stimulated all other industries, wiped out unemployment and left assets in real wealth for the greater enrichment of the people. But during the tragic ten years of the Great Depression when our relief army had swelled as high as 1,500,000 there was not enough imagination and brains in the whole capitalist system to cope with the problem which it had created. Or was it because to put our people to work creating the socially necessary wealth would have meant an encroachment on the preserves of free enterprise? The very existence of the problem was, and is, proof conclusive that free enterprise cannot solve it. To have taken the only course which could have led to a solution, namely a socialist policy of producing wealth to the limit of physical capacity, would have ended the system of special privilege and private monopoly. And so to preserve that, the people had to suffer and starve.

Canada is once again heading straight for a repetition of this horrible dilemma. The Federated Engineering Societies of the U.S.A. have shown that there were never less than a million willing workers out of work between 1902 and 1917, as that included the period of World War I. There were 16 percent of all workers unemployed in 1915, and 4 percent or over one million unemployed in 1917. There were 4,500,000 unemployed in U.S.A. in 1914 and 6,500,000 in 1915. And between 1930 and 1935 there were from ten to fifteen million out of work. Even in the peak year of peace production in the U.S.A. (1929) there were nearly four million unemployed.

Canada had 850,000 unemployed in 1933. If the aggregate of lost hours on the part of all who worked part time were added, it would probably swell the number to about 1,275,000 out of work. But just to get an idea of the loss for one year, take the 850,000 figure. It is a conservative estimate that such a body of unemployed persons could have produced an average of \$100 worth of wealth each month. That would have amounted in one year to \$1,020,000,000. On the same basis the thirty million unemployed in Europe and America would have produced \$36,000,000,000 worth of wealth in a year. This loss would be included, of course, in any total estimate of the loss to industry caused by its failure to achieve and maintain potential capacity production. Idle men and idle factories go together. Whenever the production curve drops below capacity production, there is a loss of wealth to the community.

Other Spigots of Waste

Mention should be made here in greater detail of some of the spigots of waste which if turned off would permit the national reservoir of wealth to fill up. Some of these are all the more worthy of emphasis because they directly affect the lives of people. Accidents, ill health, unemployment and war are all spigots which are never turned off. The loss through them is colossal.

A committee of the Federated Engineering Societies of the U.S.A., to which reference was made above, investigated the waste in industry in that country in 1921. They found that there was a waste of about 50 per cent. The chief causes are listed as: (1) Faulty management, (2) Interrupted production, by idle men, bottle-necks in material and plant equipment, (3) Intentional restriction, by owners to protect the market, or by workers striking for more wages or better conditions, (4) The loss caused by ill-health, physical defects and accidents.

Of the estimated 50 per cent loss in production from these causes, the chief cause was attributed to the owners and managers of Big Business.

Poverty Means Ill-Health

In 1909 there were 3 million people seriously ill in the U.S.A. The average loss was 13 days per man. Most of such illness was said to be preventable. If the necessary conditions of good health had been available to these people and proper health services within their reach at all times the average life would have been extended 15 years as well as vastly increasing the production of wealth.

In 1921 the average loss per man through ill-health was 9 days. There were 42,000,000 employed in the U.S.A. that year. Leaving out all the unemployed for the moment, this represented a loss of 368,000,000 working days. Allowing an average of \$5.00 per day per worker the loss through illness for that year alone would be almost 2 billion dollars.

The National Institute of Health in the U.S.A. in 1936 estimated that people on relief were ill 17 days in the year; people who worked for an income less than \$1000 were ill 10 days each year; people with \$1500 income lost 7 days through sickness; while people with incomes of \$5,000 and up-

ward lost only 6 days through illness. The connection between poverty and disease seems obvious.

The latest figures from the U.S.A. in this connection, as quoted by Mr. R. T. Bowman, correspondent to the Southam Press at Washington, shows that "out of 22,000,000 men in the military age, between eight and nine million will be unfit." In the same article we are told that war production is also suffering from the nation's ill health. "More than 600,000,000 man hours are lost annually through illness largely preventable."

As to the pre-war health picture in Great Britain, we can glimpse it from the following facts cited in a pamphlet by the Dean of Canterbury: "Boys and girls grew up in an atmosphere of planned poverty, with a standard of physical fitness so low that the army in 1936, though desperately in need of men, rejected all but 21,975 out of 57,712 recruits. Dr. Kenneth Fraser, the Medical Officer for Cumberland, said of the Whitehaven youth, 'Many of the boys are too unfit even to want to play football.' "

That was in 1936, but when the war against Hitler got under way in earnest, the British government undertook to reclaim this human wreckage. Dr. L. B. Pett, nutritional director for the Canadian government, after a visit to England in 1942, gave the Canadian Press an example of how it was done: "800 young men found unfit medically for military service were placed in a camp and fed a special diet. After a set period the men again underwent a medical examination, and more than 700 showed such improvement in their health that they were able to meet military physical standards." Dr. Pett suggested the same method should be applied in Canada.

Canada tells a similar story. Government figures show that 42 per cent of all who were examined for military service had to be rejected as unfit. The Canadian Council of Social Hygiene estimates Canada's loss through ill-health at \$311,000,000 a year.

The Federated Engineering Societies of the U.S.A. estimated that if proper health services were provided for all the people who now lose so many days a year through sickness, the project would not only pay for itself, but would leave 2 billion dollars over in the form of extra wealth produced to be added to the national income.

On the same basis, Canada, by wiping out preventable diseases, could increase the national income sufficiently to pay the whole bill for socialized health service and have left over \$150,000,000.

A penny-pincher's wisdom means a dollar-foolish economy. It should be the chief object of the community to abolish disease even if to do so were to mean an economic loss; because the people's good health is worth it even if the cost should represent an annual debit item in the national account. But when, by following a sensible humane policy of wealth distribution coupled with a democratic health service, we can keep our people healthy and at the same time increase the national income, it is both good humanitarianism and good economics to follow that policy.

The Legacy of "Free Enterprise"

Corporate organization pocketed production; its giant offspring is pocketing the nation, including the entire lives of its citizens. And organized business is extending this anti-democratic web of power in the name of the people's own values, with billboards proclaiming "What's Good for Industry is Good for Your Family," and deftly selling itself to a harassed people as "trustees," "guardians," "the people's managers" of the public interest."—PROF. ROBERT S. LYND.

To hear the high-priced "public relations" experts tell about it, one would think that the present social order represents everything the human heart could desire in the way of public and private welfare—in short, that Free Enterprise, based upon individual initiative, freedom from "bureaucracy and regimentation," has given us the nearest thing we will ever know to Perfection this side of the pearly gates.

The "Free Enterprisers" (better known as the rampant capitalists) have had unrestricted sway over the running of our factories and our lives, over the control of our natural resources and governmental machinery, for more than a century. This ought to give us the right to ask for an accounting.

Indeed, they would have us believe that Private Enterprise moves in mysterious ways its wonders to perform—and that all of its sweating and scheming for the sake of personal power, prestige and profit, somehow winds up by promoting the public good. Their apologists say: "These men are stewards and custodians of the public welfare." They imply that, in the last analysis, capitalism will be found to serve the needs of the people more efficiently than any economic system we have known in the past, or can conceive of for the future. Very well. Let us see.

Can They Justify Their Title to Ownership?

Will any Canadian capitalist who is a millionaire and who produced that million by himself, either by hand or brain, please stand up? It would be interesting to meet the man who has produced a million dollars worth of anything, not to speak of hundreds of millions. There are a good number of millionaires in Canada. But not one of them will dare to stand up and say, "I am the Cock Robin who with my own hands and brains and without assistance from my fellows produced a million dollars worth of hogs, or two million dollars worth of grain, or a hundred million dollars worth of locomotives or oil or houses, or bridges as the case may be. Not one will stand up and make that claim. If he did he would arouse great laughter. Because most people know that all wealth is derived from natural resources.

Premier Stalin said, "It is time to realize that of all the valuable capital the world possesses, the most valuable and the most decisive is people." To gather a hundred million (or even one million) dollars worth

of wealth from our natural resources today the co-operative effort of many millions of people is required. The time has therefore come for us to insist that capitalists justify their claim to ownership of the only means by which all the people can live. And such a claim will have to be justified by something more than the laws passed by the alleged owners in their own defense.

Debunking the Stewardship Hoax

There is a "la-de-da" approach to the defense of the private monopolies which might as well be disposed of here. It is the one which asserts that the owners of the means of life do not really look upon themselves as owners; that they consider themselves to be the custodians of the people's heritage; that their position is really one of "stewardship."

They are supposed to "serve" by owning and directing.

Of course, this sort of talk is utterly baseless. It rests on no fact. It is a mirage, a mere optical delusion appearing in the stratosphere of speculation and dream, above the fog and miasma of reality. But if this idea of "stewardship" were real, then the case against the "unjust stewards" is on. They cannot be permitted to escape the responsibility of their "stewardship." They must give an accounting now.

"We, the People, Want to Know . . ."

The people are now making a thousand legitimate demands from their unjust "stewards." We, the people, want to know why our factories were partly or wholly idle during ten years before the war, while we needed clothing, shoes, houses and innumerable other goods and services; we want to know what our "stewards" were up to when nearly a million of our people were without work at a time when they were so anxious to work that they might live. We want to know why our "stewards" appropriated abundance for themselves for their "stewardship" while so many were left to starve.

We want to know why our "stewards" paid themselves large incomes as dividends over and above their enormous salaries while many hundreds of thousands of Canadians received only doles during the depression and less than a subsistence wage in normal times.

How, for instance, did our "stewards" conclude that over 17,000 Canadian teachers should be paid less than \$537 a year in 1944, while it costs \$536.55 a year to keep a criminal in the penitentiary?

We want to know why these "stewards" of our social system of production refused to produce the necessary war material for our defence until they were permitted unlimited profits. Be they called "stewards" or capitalists, they are up before the bar of that democracy for which millions have died and are still dying; they must render an accounting to that democracy. And if in the future it is decided by the people that they want industrial leaders and management to be "stewards," then arrangements will have to be made so that "stewards" may be chosen democratically; that the people may be able to advise, command or discharge their "stewards" in accordance with their efficiency of service and honesty in performance.

Suppose it was desired by the Canadian people—and it could not be surprising if this was desired—to discharge the president or general manager of a bank for having failed to finance the war effort without incurring an unbearable burden of interest-bearing debt; or suppose we wanted to discharge the chief of the International Nickel for having made profits out of our nickel by supplying Germany with sufficient quantities of that metal to enable them to build a war machine with which to conquer the world; or suppose we wanted to “fine” the head of the copper trust which shipped copper to Japan to help kill the Chinese and who kept on shipping it to Japan after Pearl Harbor?

Just how could Canadian Democracy proceed in these cases to assert that it was master in its own house and that “stewards” cannot do as they please in matters which involve life or death to the citizens? The fact is that these men and others like them could not be discharged. There is no law by which the people could assert their democratic rights in this respect. On the contrary every law would sustain the claim of each corporation to do as it pleases with what is regarded legally as its own private property and its own private business. Doesn’t this fact blow the “stewardship” idea higher than a kite?

Insecurity and Mental Distress

“Unnecessary destitution is not the only disastrous effect produced upon us by the malfunctioning of capitalism,” remarks John Strachey. “Almost more than plenty itself, the people of Britain and America desire security. Their lives are dominated even more by the fear of want than by want itself.

“The larger part of mankind is thereby reduced to a condition of terrible, childish helplessness. Contemporary man fears, and has good reason to fear, social forces which he does not comprehend, far less control. The mediæval peasant, the savage huntsman even, knew no such helpless insecurity. They had to contend with the drought, the flood and the storm; the forces of nature were kinder than the forces of man.”

Medical men have testified to the evil effects of poverty, especially insufficient food and unsanitary housing, upon the physical health of the people. But the psychological effects were never scientifically measured until recently.

In 1936, Mr. Strachey said that “Our psychologists should, but do not, inform us of what is the effect upon the psychological stability of our communities of thus keeping the greater part of the population in anxiety for their very livelihoods.”

The information on the mental effects of poverty have, at last, come to light—in three successive issues of the New England Journal of Medicine (Oct. 19, 22, and Nov. 2, 1944). And here is what the psychiatrists have to say, as summarized in the words of Louis M. Lyons for the Boston Globe:

“War is a great revealer. The draft examinations turn a microscope upon the hidden weaknesses of the social structure.

"Out of 60,000 examination of men from Eastern Massachusetts, the mental doctors of the Boston induction station have dredged up material never before available to report the first comprehensive study of the relation between mental disorders and the conditions of living.

"They find a direct connection between living conditions and mental defects. Their returns are so emphatic as to be dramatic. From this great mass of material, all examined by the same doctors, using the same standards, in the same place, they find the poorer the community men came from, the greater their proportion of mental cases.

"Two and a third times as many of the mental rejects came from Boston slum districts as from the well-to-do suburban towns.

"Poverty was found a direct cause of mental disease, as it had long been known to be a cause of physical disease.

"And so the psychopathic condition for which many rejections were made is expressed in anti-social and abnormal behaviour; this amounts to identifying poverty as a direct cause of delinquency and crime. This is something on which scientific proof has been elusive. The mental physicians have now put a finger on it, with a great mass of statistical proof.

"The induction doctors found mental problems multiply under the most crowded and squalid conditions. They decreased under a pleasant environment. They graduated them according to the "desirability" of the community.

"The most isolated rural places showed just as high a rate as the city slums."

The mental repercussions of poverty and insecurity on Canadian youth are indicated by the following sentence from an article in *Coronet* magazine for February, 1942: "Today, a report on the mental cases found in the Canadian army this year actually indicates nearly thirty percent to be definite psychopaths."

Except for the grim necessities of war, such disheartening statistics would not have been of much concern to the government or business leaders. The need for mobilizing our manpower to the limit brought these startling facts to light.

Years ago William Butler Yeats declared that "Competition may be the life of commerce, but it is the ruin of the human mind," and his statement might have been waved aside as the fancies of a poet. Today it is backed up by indisputable scientific evidence of the devastating effects of our dog-eat-dog economy.

The findings of British medical experts are of a similar nature. In "The Psychological Effects of War on Citizen and Soldier," Dr. R. D. Gillespie names competitiveness and aggressiveness as "the dominant themes of our culture—those which appear most productive of neurosis."

These are some of the effects of our much-touted competitive system which the exponents of Free Enterprise never mention, and do not like to see others mention.

The Ugliness of Our Cities

Sir William Beveridge calls it squalor (the kind that once made a former King of England come away from a visit to the mining areas in Wales white-lipped, muttering that something would have to be done about it). We will use the word ugliness, as it is the more current expression for the same thing on this continent.

We need not dwell on this aspect of our Business Civilization at any length here, for it takes books many times the size of the one now in your hands to do justice to the subject—for example, Lewis Mumford's "Culture of Cities."

"In the Western World, down to the twentieth century . . . the instinct (for beauty) was destined to feed on the deliberate monstrosities that the manufacturer offered to the working classes under the guise of fashion and art. In time, the taste for ugliness became ingrained: the worker was not willing to move from his older quarters unless he could carry a little of its familiar filth, confusion, noise, and overcrowding with him. Every move toward a better environment encountered that resistance: a real obstacle to decentralization."

As for the noise, taking Chicago as his example, Mumford says that if it were graded by percentages up to 100% (which would be as loud as an artillery cannonade, the maddening, nerve-shattering effects of which have often been described during the war) the countryside would yield only from 8 to 10% of the noise, the suburbs 15%, the residential districts of the city 25%, commercial districts 30% and industrial districts 35%.

The industrial era has "turned the city into mechanical jungles" from which the possessing class fled into the suburbs, while the working class stays put, to enjoy the noise, the ugliness, and to live and work in structures which are not basically designed as homes but rather as filing cabinets for people. Medical science has found it next to impossible to promote real health within a congested city.

Cities such as Pittsburgh have to run up a cleaning bill of staggering proportions. For Pittsburgh's annual cost for extra laundry is estimated at around \$1,500,000. On top of this, its citizens have to spend \$750,000 for extra general cleaning and \$60,000 for extra curtain cleaning. These figures do not include losses due to the corrosion of buildings, or the extra cost of lighting during periods of "smog." And what of the incalculable losses due to disease, ill health, and the mental apathy and deterioration caused by such an environment? Does the fact that such losses do not lend themselves to objective measurement render them non-existent?

Life-values lag a long way behind profit considerations in the planning of our cities. One memorable paragraph in Mumford's book tells of how the New Yorkers did not get a break until 1930, when the City of New York, through the utter bankruptcy of numerous landlords and property owners, was at last able to buy up a sufficient number of small plots to serve as local playgrounds. "Life values," he aptly remarks, "came back to the city only after financial values had been deflated. From the standpoint of decent metropolitan living one might well speak of the menace of prosperity."

It has been frequently reported that the people of Great Britain will never tolerate the rebuilding of their cities on the old plan. They regard the blasting of the slum areas as a blessing in disguise, and are determined to rebuild real homes for the people, in conformity with modern ideas of town planning.

Canada's many congested and wretchedly housed areas will likewise have to undergo a transformation. But more will be said on this subject in another section.

Proof of Managerial Inefficiency

Big Business and Management loves to boast of its efficiency, and to discourse derisively about the inefficiency of its workers. To do this or that in a "business-like" way is supposed to express the ultimate goal of all human endeavour. Well, we have seen that Business is none too efficient in the matter of creating a healthy and happy environment for the great majority who must earn their living under its jurisdiction. Granted that its main objective is to operate for its own benefit, is Business as efficient in this respect as it pretends to be?

Here are some illuminating figures you will find in a document called "Proceedings, Sixth Annual Industrial Conference, Buffalo, Nov., 1922." On page 33 of this report is to be found the following table, which makes an effort to apportion the percentage of responsibility for waste in industry:

Industry—	WASTE DUE		
	To Bad Management	To Labor	To Outside Causes
Building Trades	65	21	14
Boot and Shoe	73	11	16
Metal Trades	81	9	10
Printing Trades	63	28	9
Men's Clothing	75	16	9
Textiles	50	10	40

Some further data on business efficiency is furnished by T. Swann Harding:

"Almost anyone would know that the presence of unnecessary noise impaired a worker's efficiency. But did industrial management know this? Only in 1930 were they shown by the expert investigators who have to tell them the simplest things about the conduct of their work that a reduction from 45 to 35 decibels of noise among a group of insurance workers improved their output 12 per cent, although no other office changes were made. Moving the assembly department of a temperature-regulator factory from next the boiler room to a quieter place reduced rejections at inspection from 75 to 7 per cent and increased output from 80 to 110 per cent. A 12 per cent output increase resulted in another department from stopping the noise of a large ventilating fan. The recitation of these simple, obvious things that inept management must learn from science could be continued indefinitely but to no useful purpose. It is obvious that a system which functions so ineptly economically and socially can not win the respect of

scientific and professional workers, and must contaminate them ethically when they make contact with it. While a New York banker declares with a published budget that \$48,475 is the absolute minimum sum upon which he and his wife can subsist, a poorly paid government scientist feels it incumbent upon himself to take a \$10,000 position with a fraudulent obesity cure manufacturer in order to provide properly for his wife and children."

The industrial efficiency picture changed considerably during the course of the present war. Maximum production, plus efficiency, became so urgent that in thousands of plants the common everyday working man was invited by the management to help in "thinking up" ideas that would help increase production. Labor responded nobly, as voluminous evidence can show.

Both the American and Canadian governments urged employers to drop their ancient attitude towards their workers—the one that implied that the mere "hands" should be seen but not heard. The time and labor-saving ideas that came pouring in from the rank and file were a revelation to everyone, including the professional efficiency engineers.

To put it another way, business and management rediscovered a fact socialists have been trying to make known for almost a century—namely, that production is a social process and that when it is carried on in the light of this understanding everyone, from the humblest factory hand to the most skilful of technicians, has something vital, something indispensable to contribute.

Workers made suggestions that cut down the man-hours required for various operations to a fraction of the time formerly required. Example: an employee of the Stromberg-Carlson Telephone Manufacturing Company brought forth a suggestion that cut the time of switchboard testing from 10 man-days down to 1 hour! One girl that worked on a machine which trims rough rubber edges off molded airplane rings suggested that the machine ran too slow. "Why not use a larger pulley on the drive shaft and increase output about 25 per cent?" she asked. Her idea was found practicable.

Rewards for such ideas ranged from \$175 cash to \$1,000 War Bonds, while the efficiency ideas remain the permanent possession of the private owners and controllers of industry. We shall not moralize about that aspect of the situation at this point in our story, for at the moment our main concern has been to show that contributions to efficiency and to creative ideas in production are by no means the sole prerogative of any single group.

Accidents in Industry

How efficiently does Industry protect the lives and limbs of its workers?

U.S.A. statistics reveal that in 1919, for example, 296 million days were lost through industrial accidents. The amount of wealth lost in this way was \$853,000,000 for that year. Total economic loss from public accidents in the U.S.A. in 1917 was quoted as \$2,229,150,000. And it was held that at

least 75 per cent of these accidents could have been avoided. American figures for 1943 showed that those killed in industry were greater in number than those killed in war; that there were sixty disabled temporarily or permanently in industry for every one disabled in war. Here again is a tremendous loss both economic and human. Organized labor has been fighting for a long time for greater working safety. But in the mad scramble for profits the industrialist usually puts the telescope to his blind eye when he looks at the workers. Safety appliances and better conditions of work have come very slowly indeed.

Loss Through War

The cost of capitalism is great everywhere and always. Capitalism has been unable to prevent war; on the contrary it has been the cause of many wars. And of all the ways in which people lose through the present system, war is the most diabolic in character and the most colossal in magnitude of them all.

War losses, both human and material, are impossible to calculate. We can count our dead and we can add up the immediate cost of material in terms of dollars, but that is only the beginning of the story.

When the flower of a world's youth has been slain, who can calculate the loss? A thousand new worlds, were they to be given to us in recompense, could not pay for our tears. And who can tell what genius has been lost forever on a world battlefield? Surely among all the millions of the world's finest youth there would be found an Edison here, or a Pasteur there, whose contribution in generations to come would be beyond estimation.

And as for material destruction, that is not merely a matter of a ship here or a factory there. The loss is continuous and cumulative. For when we have replaced a ship that has been sunk, or rebuilt a factory that has been blown up, we have not replaced the loss.

There were in World War I, 65,000,000 fighting men who took part. 9,000,000 of these were killed in action or subsequently died of wounds; 22,000,000 were wounded and 7,000,000 of that number were permanently disabled, while 5,000,000 were reported missing. Added to this there were more civilians who died of starvation, disease, massacre, epidemics and raids due to the war, than there were killed on the battlefield. Altogether the total loss of life from 1914-1918 has been estimated at 30,000,000 people.

The total material cost of the first World War has been quoted as \$400,000,000,000. Such an astronomical figure really has no meaning to the average person. Dr. Nicholas Murray Butler, President of Columbia University, assisted greatly in our comprehension of what such amount of wealth means when he wrote: "With that money we could have built a \$2,500 house, furnished it with \$1,000 worth of furniture, placed it on five acres of land worth \$100 an acre, and given this home to each and every family in the United States, Canada, Australia, England, Wales, Ireland, Scotland, France, Belgium, Germany and Russia. We could have given to each city of 20,000 inhabitants and over, in each country named, a five million dollar library and a ten million dollar university. Out of what was left we could have set aside a sum at five per cent that would provide a

\$1,000 yearly salary for an army of 125,000 teachers, and a like salary for another army of 125,000 nurses." And still "there would be enough left over to buy France and Belgium."

That was the last war. It was only an overture to the symphony of Hell which is the present war. It is still going on. And just as World War I cost more than all the great wars from 1790 to 1913, so this war will probably cost two or three times what all previous wars have cost including World War I. We will leave it to the accountants of the next century or so to figure out the loss to mankind of World War II.

The Truth About Life Insurance

One of the favorite arguments advanced by defenders of the present order, in seeking to convince the people that they have a stake in Capitalism, is to quote figures on the great number of life insurance policies distributed among the population. Here, they say, is a form of cheap and efficient protection against the hazards of life.

How great the insecurity of the vast majority of our people has been under the present economic system, even before the Hungry Thirties, can be gathered from statistics published by the insurance companies themselves. Throughout the period between the first world war and the second, millions of people in Canada and the United States must have read this widely published advertisement:

THE FUTURE

What happens to 100 Average Men of 25 Upon Reaching the Age of 65?

Only one will be wealthy;

Four will be well-to-do and able to enjoy comfort and recreation;

Five will be working for a living, with no prospects of relief from drudgery;

Thirty-five will have died, in many cases leaving families enduring hardships;

Fifty-five will be dependent upon friends or relatives or charity.

These figures were worked out from insurance tables by the National City Bank of New York, the richest bank in the country. And as the Canadian Life Assurance Association published substantially the same figures in their advertisements it means that these conditions obtained over the entire North American continent.

Could there be penned by any critic of capitalism an indictment more damning than that?

Our people knew, only too well, that the statistics published by the insurance companies were true. They bought policies, in the hope that it would bring them some sense of security from the fears of dependency and helplessness in their later years.

What happened? Well, here are some of the facts and figures that have never received the widespread publicity they deserve.

The loss to the people through lapsed or surrendered life insurance is nothing short of scandalous. Between 1932 and 1941, approximately

\$6,000,000,000 worth of life insurance terminated. Of that amount 83% was due to lapses and to taking cash surrender value. Policies totalling \$2,372,067,310 lapsed. This was more than twice the amount of insurance that terminated naturally.

As to industrial insurance, the most efficient of insurance companies charges 20 per cent of all money collected as premiums in order to cover the selling and administration costs and takes 30 per cent of all money disbursed to policy holders. The charge to the insured public by some companies is 40 per cent of the amount of the industrial premiums or two and one-half times the amount of money paid out to policy holders. In other words, millions of people are paying a high price for insurance, but only thousands ever die insured or obtain paid-up policies.

Something of the other side of the picture may be gathered from noting the price of Sun Life shares, what these shares paid in dividends, and the enormous assets which now represent what was originally a very modest investment. The shareholders of this company own \$2,000,000 worth of common stock. This actually cost them \$750,000 in cash. And this small investment gives them control of nearly 1 billion assets which have accumulated from premiums paid by policyholders. Up to 1941 every share which cost in cash \$37.50 had earned for its owner since originally invested the sum of \$881.25.

Life insurance is actually a public service. It should be so regarded and taken from the sphere of private enterprise. The saving to the public would be enormous, and the service rendered by insurance multiplied a hundred-fold, were provision made for life insurance to the public at cost, through special insurance departments of the federal and provincial governments.

The situation in other countries is similar to that in Canada. In Britain there were 10 million policies issued each year for several years prior to the present war. Six and three-quarter million of the 10 million issued ended prematurely. About 4 million out of the 10 million policies were forfeited completely. The premiums collected by insurance companies in Britain amount to $2\frac{1}{2}$ times the total contribution of employers and insured persons in the National Health Insurance scheme. But the benefits of the latter are much greater and much more satisfactory than in life insurance under private companies.

In Canada, the Sun Life, Canada Life, Great-West, the London Life, Manufacturers Life and Mutual Life control together more than \$2 billion of life insurance assets, or about two-thirds of all assets of the business. The companies mentioned have 72 directors. These 72 men hold 350 directorships in many corporations covering all major fields of industry, commerce and finance. So at a very high cost and mostly through lapsed and barren policies the poor people of Canada have managed to make it possible for 72 directors who proved themselves incompetent to run an insurance business, to take a hand in running all business with equal incompetence. To lose our lapsed insurance was bad enough, but to know that we helped to buy our own economic enslavement in that way does not make it any easier to take the pill. Interlocking directorates have ended free enterprise and established a virtual economic dictatorship.

Fraud Pays Dividends

Nine-tenths of the thinking in America is directed against the interest of ninety per cent of the American people.

—GILBERT SELDES.

A social order, in whose nature is inherent the tragedies due to poverty, insecurity, ugliness, war and disease, is not a pleasant thing to contemplate. Most of these evils are due, not to the character of the men who own, control or direct. What we have surveyed are some of the effects of our present methods of operating society's productive machinery. The real underlying cause of our "economy of waste and disaster" is production for profit—the profit of the few, instead of production for the benefit of the many.

We have given ample proof of the fact that, from the standpoint of human welfare, the great majority of those who create the wealth of the world are "forgotten men" when it comes to sharing the benefits. It's a case of millions for waste or luxury or destruction, and pennies for human welfare.

Not only is the share allotted to the productive worker, the farmer and professional worker out of keeping with the wealth created and the services performed, but he is subject to a hundred forms of petty graft, fraud and chiselling.

It required herculean efforts to secure the passage of such necessary laws as workmen's compensation, laws protecting the consumer from adulterated foods, laws governing the sale of worthless stocks and securities, laws restricting the rights of the profit-hungry to sell worthless or dangerous drugs to people who buy them because they cannot afford proper medical care.

The annual income from crime is enormous, and as Ralph Borsodi reminds us, "Certain forms of extortion and certain kinds of swindling have always been big business." Evidence galore of the questionable methods by which huge private fortunes were first acquired can be found in such books as "The History of Great American Fortunes" by Gustavus Myers, who also wrote a history of Canadian fortunes, Ferdinand Lundberg's "America's Sixty Families," or Robert Brady's "Business As A System of Power."

Other aspects of our acquisitive and aggressive civilization find their expression in organized crime, vice and a thousand varieties of "easy money" rackets. Writing in the Saturday Evening Post, Howard McLellan estimates that approximately \$3,500,000,000 in money and goods is stolen by criminals of the predatory type. In addition to the protection afforded by the regular police forces, business finds it necessary to hire thousands of private detectives.

The takings of stock-swindlers, confidence men and the brainier type of criminal who knows that more money can be made through cunning than through violence, are equally impressive. In his book, "Only Saps Work," Courtney Terrett tells how a single group of Wall Street swindlers

cleared \$16,000,000 profit in one operation on a choice "sucker list." The United States Attorney at Chicago made the statement that the net loss to American business through scheduled bankruptcies was \$800,000,000 each year, and of this sum not less than \$500,000,000 consisted of pure frauds upon the creditors. In New York, another U.S. Attorney estimated that not less than \$10,000,000 a year was taken from the public by "installment-plan brokers."

Some fifty years ago, during the famed era of trust-busting, Theodore Roosevelt had a good deal to say about the "malefactors of great wealth"—by which he meant those individuals who, directly or indirectly, through powerful impersonal corporate structures, were responsible for or condoned such abuses as defiance of law, dishonesty in business, corruption of government and exploitation of labor, in order merely to pile up personal riches on riches. These are the top-level "malefactors" and just a few years ago President Harry S. Truman, as chairman of the war expenditures committee of the U.S. Senate found startling evidence of sabotage-for-the-sake-of-profit among today's successors to yesterday's malefactors. So did Thurman Arnold while he was head of the Anti-Trust Division of the Department of Justice.

Operating on what we could call the middle level are the "big shots" of organized crime and the bosses of graft-ridden political machines. Examples of their activities readily come to mind, and they range all the way from operators of the "policy racket" and "Murder, Incorporated" (which was organized along the lines of a big corporation, with fixed rates for every kind and degree of crime) to such shining lights of Tammany Hall as the New York socialite Jimmy Hines, the Pendergast Machine and "The Kingfish," otherwise known as Huey Long. Even when exposed, the top-level malefactors cannot be touched by law, so they rarely land in jail, and they continue their operations with practically no loss of prestige. But the second-level operators are sometimes sacrificed during "clean-up" weeks, with the result that a Pendergast goes to jail, or a Huey Long is shot. But the net result usually is that their successors carry on along similar lines.

Canadians like to believe that their political system is free from the taint of questionable practices by its politicians. But Gustavus Myers' history of Canadian Wealth is an eye-opener on the post-Confederation period. Then there was the Beauharnois scandal in 1930, which brought to light the fact that this Canadian power trust contributed the sum of \$864,000 to the election funds of the Liberal and Conservative parties. And there is also some notable testimony in the memoirs which Hector Charlesworth, a former editor of Toronto's *Saturday Night*, wrote under the title of "I'm Telling You."

"When Mr. King came into power at Ottawa in 1935," relates Charlesworth, "he had to face very strong pressure from private members imbued with the new ideals, to introduce the spoils system on a sweeping scale. The extent of his following made the pressure the greater. In every large political coterie, of whatever party, there are various strata, and an actual underworld of what may be termed political 'gunmen.' Because

Canada is a law-abiding country the latter do not use weapons or employ criminals to gain their ends; but if public sentiment permitted they would be quite capable of doing so." (This was in 1935, and it is evident that some of our elected members were strongly influenced by the success of what Mr. Charlesworth calls the "political gunmen" across the line.)

The low-level malefactors are those who engage in crimes against the person and against property. The crimes against property (burglary, hold-ups, larceny) constitute 96% of all major offenses known to the police.

Students of criminology believe that the aggressive and highly competitive nature of our general way of living is the main underlying cause of crime at every level. Robert Hutchins, the president of Chicago University, has written that American education encourages the passion for money as the visible badge of success in life and, to use his own phrase, "the issue is how to obtain it as rapidly as possible and stay out of jail." And so in America you have the amazing spectacle of finding that "the best people" will grant social recognition to men whom they know have acquired huge sums of money through illegal methods. This is the ultimate paradox of a degenerate philosophy of "success."

To keep our perspective, after having cited the above examples, it is important to remember that only a very small percentage of the total population engages in crime or graft as a profession. The great bulk of the people are honest, law-abiding citizens. Yet crime, like all human behavior, is a response by the individual to his social and economic environment.

No man knew more about the cause and cure of crime than Clarence Darrow, and his considered opinion was as follows: "Crimes such as larceny, burglary, and robbery are more numerous in hard times than in good seasons. They increase during strikes and lockouts. They flourish in panics and with idle shops and factories. They are more frequent in winter than in summer. They would well-nigh disappear if conditions of life came anywhere near being equable and fair and decent."

Who Benefits from Advertising?

Someone once said that if American "civilization" ever went the way of the grandeur that was Greece or the glory that was Rome, the most fitting epitaph to place on its tombstone would be: "KILLED BY TOO MUCH SALESMANSHIP." If we knew his name, we'd like to recommend him for the Congressional Medal.

The advertising agencies of America employ thousands of bright young men and women, and as a result of their many and varied activities no one can escape from the barrage of slogans which bombard the eyes of the reader and the ears of the listeners. Billboards glare at the citizen who is out for a stroll and streetcar cards are there to catch the eyes of the "straphanging multitudes" of our great cities. The daily newspapers and the magazines are crammed with invitations to smoke cigarettes for the sake of a "lift" and what not else, while other ads urge us to recognize the superior virtues of one product in preference to another. For a good

part of the morning, and most of the afternoon, while hubby is at work and the children are at school, the housewife can allow her emotions to be tortured by the trials and tribulations of a great assortment of soap opera characters. (Those who write them refer to their creations as "washboard weepers.")

If you suspect that the advice offered you is not altogether disinterested, you are on the right track, and to back up your doubts with expert evidence we quote the following passage from page 18 of "Prosperity and Security" by Ralph Borsodi, an economist who once served on the staff of an American advertising agency. Mr. Borsodi pulls no punches when it comes to describing real motive behind the main bulk of modern advertising:

"Highway men, using pistols, rely upon force, either actual or implied. The manufacturers of breakfast foods; of artificial syrup, cheese, and lard; of many patent medicines, rely upon what ranges from merely fooling the consuming public, to downright swindling. Instead of relying on force to make the public pay them tribute, they fool or frighten people into paying. Fortunes are being made today out of the fear, vanity, and credulity of the general public. Ask any advertising man; he knows."

No one will deny that a small percentage of the advertising placed before the public performs a useful and legitimate function, for when it tells the truth about the product it offers it becomes an aid to intelligent buying. But how much of that sort of advertising is to be seen—or heard? As Paul Mazur says in American Prosperity—"Should advertising ever really limit itself under judicial oath to tell the whole truth, unvarnished and unadorned, woe betide confidence in America's products and industries. . . . If the whole truth were really told, the career of advertising would degenerate from the impact of a powerful hydraulic hammer to a mildly reproving weak slap on the wrist."

In other words, telling the straight truth about what he has to offer would cramp the advertiser's style!

What is the social effect of this billion-dollar "brain-fixing" industry, this endless procession of sorcery for the sake of cash? On the economic side it represents a tremendous waste of talent that could be put to better use, for a great deal of advertising is designed to make the customer dissatisfied with some article he has bought long before its usefulness is exhausted. It may lure away hard-earned cash for useless gadgets from people who should be spending it on more essential things. In the last analysis, neither advertising nor salesmanship adds to the purchasing power of our people, who have definitely fixed wants and a very limited income wherewith to satisfy them. The consumer needs only so much soap, so much flour, so many quarts of milk, so many pairs of shoes, so many tubes of dentifrice per year, and it really makes no basic difference to him whose brand is attached to them as long as they are of good quality. But it makes all the difference in the world to the advertiser! For when a consumer buys one brand of a product, instead of another that is equally good and sells at the same price, the manufacturer whose product he did

not happen to buy has lost a sale and the profit that goes with it. So when he finds that his competitor is taking away too many sales for comfort, he calls in the advertising wizards and orders them to "create" a greater demand for his particular brand. Not to be outdone, the first manufacturer may decide to step up his demand-creating machinery. In the end, one of the competing firms may go out of business, while throughout the entire campaign the people who do the buying are blissfully unaware of the hidden warfare for their dollars.

Apart from the great amount of advertising twaddle that is an outright insult to intelligence, the principal objection to advertising, as it is now conducted, is that it vainly endeavours to sell goods that people would be only too glad to buy if they had the income to spend.

Recently it has been estimated that 85c of every \$1.00's worth of manufactured goods represents selling costs, of which advertising is a part.

Because in any sane system a man who can earn a living by selling advertising could just as easily make a living producing something of real value, or in turning his talents to the task of spreading socially useful information, his work would then be adding to the sum total of the real wealth of the community, instead of subtracting from the total of real wealth.

The Public Relations Racket

What goes on under the impressive name of "public relations" is really a new extension of the advertising game. The only difference is that while the regular advertising men devote themselves to selling goods or services, the task assigned to the public relations counsel is to sell the capitalist system itself. Of course, they prefer to call it "Free Enterprise" because they think it will be more saleable under that label.

Now here is a very notable fact: In Canada, there is a strong Third Party now making its bid for power, and this party proposes to institute a socialist economy when elected. Hence, in Canada, an all-out defence of the Free Enterprise System is understandable. But in the U.S.A., where the socialist movement is negligible, where there is no direct challenge to capitalism by an avowedly socialist party, there the defence of Free Enterprise is proceeding with a greater display of zeal and more evidence of panic than in Canada.

Take, for example, the case of the **Reader's Digest**, which has taken upon itself the role of public relations counsellor for big business. In one instance they published a condensation of W. L. White's "Report on the Russians," the book which tries to prove that people under socialism are no better off than the inmates of a penitentiary. Competent reviewers were almost unanimous in their opinion that what White intended to write was not so much an objective report on the Soviet Union, but rather an editorial aimed at convincing the American people that any toying with socialist ideas on this continent would be disastrous. No better proof of this could be cited than an item which appeared in the **New Republic** of

April 9, 1945: "The Republic Steel Corporation is sending out to its mailing list a 47-page reprint of the Reader's Digest selections from William L. White's anti-Soviet book, Report on the Russians."

Still further proof of the Reader's Digest's role can be found in its condensation of Friedrich Hayek's "The Road to Serfdom," where the author raises all sorts of bogeys about the horrors of "bureaucracy and regimentation" in planned economies and advances the thesis that it is impossible for a planned society to function democratically.

But can these counsels for the defense really deliver the goods? Can they even begin to make a convincing case for Free Private Enterprise to people who are familiar with such facts as we have given about it in the earlier portions of this book?

How did the "public relations" racket get going? Herbert M. Baus in his book on publicity explains its beginnings, as follows: During the golden era prior to the Great Crash of 1929, "business was like some god rendering miracles to savages." Following the crash, the suffering multitudes came to think of business as a bugaboo instead of a blessing. That's when Big Business got sold on the idea of hiring public relations experts as its friend-makers and confidence-winners.

Frankly, we don't see how they can make a successful job of defending the indefensible. Trying to sell the people on a system that has "unsold" itself by failing to function for the public good, except under the spur of the full production made necessary by global warfare, the public relations experts are really up against it. They may do their utmost to resell the capitalist way of life by using the techniques which have proven successful in selling soap or cigarettes. But in the long run, their employers will have to ring up "No Sale."

Insiders in the public relations racket know that the principle under which they must function is that of singing the songs of the men whose bread they must eat. And some of them try to extract what humor they can from the situation. Thus the author of Publicity is Broccoli remarks that "the symbol of the Public Relations Counsel should be the whitewash brush, rather than the typewriter. His worst nightmare is a headline beginning 'SOULLESS CORPORATION'; his sure out, to have the president of same build a wing for Harvard. So reach for a grain of salt the next time you read that a library has been endowed to the tune of three million dollars. Maybe a senatorial investigation is scheduled to begin next week."

One of the best reasons as to why these apologists for the status quo will never render adequate services for the high salaries they receive, is to be found in the writings of Harold D. Lasswell, who is one of the outstanding analysts of modern propaganda. Prof. Lasswell says: "A well-established ideology perpetuates itself with little planned propaganda by those whom it benefits most. When thought has to be taken about ways and means of sowing conviction, conviction has already languished. . . . Systems of life which confer special benefits on the other fellow need no plots or conspiracies when the masses are moved by faith. . ."

What the People Need

You can't bury the common sense that says people who are willing to work should have enough of this world's goods to feed, clothe and shelter them.—RAYMOND CLAPPER.

The general collective purpose which we must have is that of making the strongest, wisest, noblest and happiest human beings that it is possible to make out of the potentialities with which every one begins life. Stating this specifically in terms of practical policy it would imply:

Food

Ample food for every man, woman and child. It is quite safe to say that we have never had sufficient nutritious food, not even in the years when vegetables and fruits rotted in the fields because there was no market, and when the grain was so abundant that it was burned as fuel in certain sections of the prairies. It is doubtful if Canada or the United States has ever produced a surplus of any sort of food with the single exception of grain. One of the surprising discoveries of the international food commission was that certain foods had to be rationed in America during this war. For example, meat was and is rationed although one-quarter more meat was produced in 1942 than in pre-war years, and exports of meat had not increased, but in fact had decreased. This fact had only one explanation, and that was that people being employed during the war had incomes with which to buy meat, while prior to the war a large percentage of the population could not afford to buy it. Some could not buy it at all, while many were forced to buy less of it than they would and should have bought had their purses permitted.

In Canada, nutrition surveys at different income levels have been made in cities across the country; and they show that Canada has a serious nutrition problem. Dr. L. B. Pett, Director of Nutrition Services, in the Department of Pensions and National Health at Ottawa (and also Secretary of the Canadian Council on Nutrition) is conducting a wide-spread campaign to develop interest in nutrition on a community basis.

He says: "What people are we trying to reach? The answer is—everyone. . . . The Canadian Dietary Surveys indicated that while a higher income tends to assure the family of better nutrition, it is no guarantee. Furthermore, these surveys showed serious dietary deficiencies among families of an annual income less than \$1,500. I am informed that this comprises more than half the families in Canada, so that there is a widespread nutrition problem. . . . Therefore, in analysing the meaning of this word 'everyone' it is advisable to be clear that it is not just a case of relief families, or low-income families, because surveys show that even where apparently large amounts of money are being spent on food, yet there may be malnutrition."

No one will deny that people must have sufficient food if a normal life of reasonable physical well-being is to be maintained. But our present

system has never given the slightest consideration to such a question; no provision has ever been thought of by which a sufficiency of nutritious food might be made available to the entire population.

A government which had the welfare of the people in mind as the dominating purpose of the national economy would do about food, clothing and other essentials of life as the U.S.A., Britain, Canada and other United Nations have done in respect to ships, planes and tanks. To maintain shipping, the number sunk each week or month by the submarines had to be taken into consideration. To make up that loss and to increase shipping tonnage to do the necessary war work, so many ships had to be built. Similarly so many tanks and planes were required to give the United Nations the advantage over the Axis.

It is certainly no more difficult, in fact it is much easier, to determine how much nutritious food is required to supply the needs of the Canadian people. Not how much will be required to supply the demands of a market determined by insufficient income, but the amount required to feed every citizen properly. If the British Government can tell a year in advance how many million pounds of bacon are required to maintain the physical fitness of the British people during a war, cannot our government tell in advance how many million pounds of everything essential in foodstuffs are required to maintain the fitness of all our people in time of peace? And not only to know the amount required but to make adequate provision for the production and distribution of the amount required?

To do just that will be the first duty of any government if it has human need rather than private profit as its purpose. That is what is meant by freedom from want.

Clothing

Sufficient clothing for decency and comfort in the extremes of climate to which we are subject on this continent, must be a collective responsibility in any real democracy. Those who witnessed the poorly clad, yes ragged millions of Canadians and Americans during the last depression, require no figures to confirm the view, that scarcity in this as in other essentials of life has been as prevalent in North America as shortage of food.

Children of many farmers as well as of miners and factory workers go ill-clad to school. It will be recalled how charity organizations collected cast-off clothing of all descriptions to distribute to the most needy. And this was done while boot and shoe factories and textile mills were idle or running only part time.

The people whose children were ill-clad, the unemployed who were cold and ragged in 1932 could have soon produced ample supplies had they been permitted to work.

In a well-planned society the people would have an opportunity to provide themselves with comfortable clothing. Boots, shoes and clothing would be made to wear. Human needs would determine the demand and not a profit market.

Homes

A home for every family would be an immediate objective. Our system did not provide 300,000 families in Canada with homes of their own up to the time of the war; hundreds of thousands of others lived in slums both in the cities and on the farms.

A comfortable and beautiful home for every family is surely not a luxury but a necessity. The home should provide at least one room per person exclusive of the kitchen, dining room and living room. This would involve rebuilding and renovating a very large percentage of Canadian homes both in rural and urban districts, and would call for a building program of about one million new houses. Allowing \$5,000 per home as an average cost, it would take 5 billion dollars to build the new homes, not to mention rebuilding, repairing and beautifying old run-down homes.

When the MacKenzie King government in Canada finally brought down a bill to assist in the building of houses, how did it propose to go about it? By going at the job directly, or by assisting a city like Winnipeg to do so? No. Its method was to underwrite private lending institutions.

The government itself tabled a report in 1944 showing that Canada needs 700,000 new homes. There is a real job to tackle. There is employment. But the government's measure could not possibly provide for more than 80,000 or 90,000 new homes—and that is a generous estimate—where the government's own report says we need 700,000. The measure was to be welcomed, yes, but after all the fanfare it was terribly disappointing. The people of Canada deserve a great deal better.

According to the 1940 census, there were 37 million dwellings in the U.S. Of these about eight million were on farms, twenty-two million in cities and towns of 2,500 or more, and seven million in villages.

Some 10,000,000 of the dwellings not on farms were substandard in the sense that they were in need of major repairs, were without running water, lacked a private toilet or bath. About 6,600,000 of the farm dwellings were also substandard. Altogether, more than a third of all the housing in the United States was substandard.

The National Housing Agency estimates conservatively the need for 16,100,000 units for the next ten years. The CIO Housing Committee looks on this as a minimum figure, and declares that the construction industry will have to provide jobs for two million more workers in the postwar than it did in 1940 in order to achieve this. The minimum job budget should be around six and a half million construction workers—for the new community schools, roads, etc. About two and one-quarter million workers, or roughly one-third, must be engaged specifically in the homebuilding industry, on homes for Americans.

With a generally accepted collective purpose of human interests first, a properly based society in Canada and the United States could guarantee a home for every family. That home would be wholesome, comfortable, and beautiful; a place to be proud of and to love; homes in which the surroundings are clean, bright, cheerful and healthy, and in which a taste for beautiful things might be born and developed in those who inhabit them.

We have the natural resources, the machines, the manpower used to produce the sinews of war. We can utilize these same resources and convert the wartime plants to produce the necessities of life.

Health

The health of the community would be a social responsibility. Contagious diseases pass from one end of the community to the other, disregarding every color, creed or ethnic relation. It should therefore be a social responsibility to overcome such diseases.

Occupational diseases should be a social responsibility because individuals who suffer from them contract them while doing a public service. When a miner contracts silicosis, or a worker in a certain factory succumbs to a disease induced by his occupation, he should not be left to face such a tragedy alone. In most instances, these things can be avoided. And if they were there would be more human happiness.

In a community, however, in which healthy human beings were a collective objective, there would be free preventive measures, free doctors, free medicine, free hospitals and free nursing. That is to say, these social services would be provided for out of the public pool of wealth. They would be a first charge on the community.

North Americans suffer from lack of these social health services.

New Zealand, one of the smallest of British countries, already has socialized health services.

Russia, one of the largest and richest countries of the world, has also attended to this human need.

All these improvements in health cannot be accomplished without first training the necessary number of dentists, doctors and nurses in order to be able to better and more efficiently serve the community. Hospitals staffed by competent specialists, with all the necessary equipment, are needed in the rural areas.

In recent years instances of racial discrimination, barring young men and women of marked ability from entering the healing professions, are glaring examples of the sort of thing that must be stamped out as soon as it is discovered. The germ of racial hatred has no place in our democratic society. In particular in our hospitals and colleges. When we think of the thousands of capable young doctors and nurses that could be serving our community, were it not for this fascist method of choosing applicants, we realize just how serious this issue is becoming.

We have made tremendous technological advances during the war in equipment, surgical and medical supplies, drugs, etc. We have trained hundreds of X-ray technicians, laboratory assistants. The factories that built the equipment that is used at present in base hospitals at the front and in military hospitals at home can supply our civilian needs, after we have distributed equipment no longer needed by the army when hostilities cease. Today most public spirited people are agreed that health is the responsibility of the state. In the same way that the government has the

right to call upon each individual member of the country in time of war to offer his life, so should that government protect the lives of each one of its citizens in time of peace.

Care of the Sick and Disabled

Sufficient income for the sick, the crippled, the victims of accident, the blind and the old-aged. Just as it must be considered a social responsibility in a planned society to provide free medical attention in all its branches to the sick, so must their incomes be maintained. When a factory worker loses a limb, a farmer loses a hand in a threshing machine, or a miner is maimed for life by a cave-in, their incomes should be assured while they live and their families should be provided for at the accepted living standard level. This is such obvious justice, such a natural human responsibility that it requires no justification or argument. When any person is maimed in the prosecution of his calling, or is the victim of an accident which incapacitates him for any length of time, he and his family must not be left to bear that alone. When the head of a family, for instance, loses an arm, his earning capacity drops and his family must suffer with him. Humanity decrees that all of us together must bear that loss. For that which would crush an individual would be of little or no inconvenience to any one if all bore the responsibility together.

It is the justice of this principle which brought about the Beveridge report in Britain and the Marsh report in Canada. The fact that these reports have been made is a healthy indication that people are going to demand insurance against individual tragedies of ill health, accident, unemployment and old age, etc. Social insurance is a step in the right direction, but is in itself not a cure for our economic ills. Sir William Beveridge himself made this clear when he wrote:

"Fourth, and most important, income security, which is all that can be given by social insurance, is so inadequate a provision for human happiness that to put it forward by itself as a sole or principal measure of reconstruction hardly seems worth doing. It should be accompanied by an announced determination to use the powers of the State to whatever extent may prove necessary to ensure for all, not indeed absolute continuity of work, but a reasonable chance of productive employment."

These desirable social fruits grow only in well cultivated social fields.

Security in Old Age

Old Age Pensions in Canada are an insult to the recipients and a disgrace to the nation. True, it may be that amounts from \$14.00 to \$25.00 a month to people over 70 years of age may help to keep breath in their bodies, but it is an insult to them because it is not only inadequate to maintain that standard of living which those receiving pensions enjoyed while they were able to work, but the basis on which pensions are granted is that of indigence and not of right. And our pension system should cause every Canadian to be ashamed that the old people who have worked so hard throughout their long lives of toil should be so ill rewarded at the setting of the sun.

The pension age should be reduced to 55 or 60 years; it should be granted to every person as a right of citizenship and without having to pledge his home or income from other sources to the Government as a prerequisite to receiving a pension.

Education

Equal opportunity for every man's child to obtain an education is another important feature of a planned economy.

The most important fact in this connection is that the education of youth should not be conditioned by the private income of their parents. Public schools and high schools, and universities have been built at public expense. Only those who have sufficient private means, however, are privileged to attend them.

It is surely high time that young people with ability should have the doors of the university opened to them too, no matter what may be the financial standing of their parents.

Our children are the basis of our hope for tomorrow. We must renounce the idea that in educating a generation we are incurring an expenditure which must be added to the debit column of the national income account. There is no investment which will pay more in real human values than that spent on education.

But there is another very important consideration in this connection. There is no form or system of society which requires as high an educational standard from every individual as that of democracy. Unless we are a nation of hypocrites we are fighting for a democracy which we must implement.

If a fuller democracy—and by this is meant the adding of economic democracy to our political democracy—is to be tried and made a success in our country, education of the entire population both young and old is indispensable. In fact the stabilizing of an efficient democracy depends upon the education of succeeding generations. For if the people as a whole are to do their own thinking, run their own business and govern themselves, they must be prepared for such responsibilities.

But the kind of education is of as much importance as its universality. Education for a full democracy must be different from that of an education for a partial democracy. There are those, even in the teaching profession, who are opposed to what they call "indoctrinating." They do not appear to think that the human principle which has called the youth of this nation to die on a hundred battlefields should be openly taught in school.

One generation of sensible social teaching and direction would enable us to examine our existing society in the free spirit of scientific enquiry and would blast present traditional attitudes off the map of human affairs in less than one generation.

To educate youth along truly democratic lines would destroy forever the fear of one racial group for another that breeds racial intolerance, bigotry, misunderstanding. To educate a whole generation in this way would give to Canada and the democratic world citizens healthy in

mind, truly co-operative and democratic in spirit. Thus will people learn the art of true social living. Let us not forget that reaction breeds and spawns on ignorance—full democracy on education for life and enlightenment for all.

It will therefore be an important function of a sincere, enlightened government to see to it that the fundamental principles of a true and full democracy are taught, and that every man's child shall have an equal opportunity to embrace that particular branch of knowledge which best suits the aptitudes of every individual student.

Such a program envisages free high school, and free university education. It may even mean that young people of worthwhile abilities may be paid to go to the university.

The above suggestions may be taken as that minimum standard of education which a complete democracy might well accept as a basic right of the people.

To complete this program of education for a fuller democracy we must make sure that our teachers enjoy adequate salaries. Adult education must be expanded and encouraged. Promotion and encouragement must be given to the arts, through community centres and grants to deserving groups and individuals. Schools should be rebuilt, repaired and modernized. Thousands of new schools should be constructed both in rural and urban centres, with modern equipment for work and for play.

Recreation

Parks, resorts, and recreational centres should be part of the community life. Regular holidays are an essential part of man's very existence. Holidays with no place to spend them are little better than no holidays at all.

A worker on holidays, or children at play, should have at their disposal pleasant and healthful surroundings, which will provide a complete change of environment and opportunities for healthful, useful recreation.

Playgrounds for children, holiday centres and camps for adults and children should be established by the government throughout the country. These should be well equipped with medical facilities and should be in the charge of competent directors. People should be taught the best use of leisure time, they should learn to play, and should be directed in physical as well as mental culture. A Socialist government would be interested in healthy bodies as well as healthy minds.

Can We Afford These Human Needs?

There could be only one acceptable reason why we should not agree to the minimum standard of living we have just outlined. And that is if the standard set is too high for attainment. The question therefore which confronts us at once is: Do we have the physical resources to provide such a minimum living standard? There should be no difficulty in answering that question in the affirmative.

The very first fact to meet us on the threshold of this enquiry is that in Canada for instance in 1942 the total wealth produced was \$9,000,000,000.

If there had been any definite purpose dominating national and international policy we would have produced and distributed \$9,000,000,000 worth of wealth in 1932 instead of the miserable \$2,700,000,000 that we did.

Be that as it may, we did produce \$9,000,000,000 worth in 1942. If that amount of wealth had been produced for use in peace, and equitably distributed, it would have provided an income of about \$4,000 for every family in the Dominion; and having produced that much with about 700,000 of our ablest young people in the armed forces, it should be easy to maintain that volume of national wealth and even to increase it very considerably after the war.

Under a well planned economy if we have the power to use our assets—material and human—there need be neither unemployment as we have known, nor want nor fear of want again on this continent. Nor is there any reason why abundance of the essentials of life should not be a universal achievement.

What Is Socialism?

The question is not whether our present civilization will be transformed, but how it will be transformed.—THE WEBBS.

At what point can we best begin to define the nature and the purpose of socialism?

Shall we try the historical approach? If so, it would require a volume of close to 800 pages, such as Dr. Laidler's monumental work on "Social-Economic Movements," to cover that aspect of the subject. Many who are hearing about socialism for the first time are surprised to learn that this movement is more than 100 years old, as is also the consumers co-operative movement.

It may interest some readers to know that in an article written for the American Journal of Sociology, Professor Small says that the word "socialism" was not used "until after 1845, when Leroux coined the word," while Joseph McCabe tells us that in 1838 a Chartist orator by the name of Bronterre O'Brien used the phrase "aristocratic socialism" in referring to the theories of Robert Owen.

But what we really think will serve the reader best is not a raking over of the dry bones of socialist history, or an analysis of the fine points of difference between the many varieties of socialist theory—such as Marxian Socialism, Fabianism, Guild Socialism, etc. What is more to the point, within the scope of a book intended for people who are exploring the century-old debate between capitalists and socialists, is a clear statement of the basic principles upon which the socialist movement of our time is founded. For, as Louis Wasserman in his recent book on Modern Political Philosophies so aptly states, "Despite the fact that socialists disagree in matters of detail no less than do adherents of other doctrines, it is possible to sketch an acceptable outline of the movement as it exists in the world today. The core of socialist doctrine is the requirement that

the ownership and control of the primary means of production, distribution, and exchange shall be vested in the whole people and operated by representative agencies to provide a maximum of economic well-being."

To put it another way, the basic aim of modern socialism is not a subtraction from political democracy, but rather the addition to it of the one vital factor it still lacks—Economic Democracy. President Roosevelt must have had the absence of this missing half of democracy in mind when, in 1932, he declared: "The millions who are in want will not stand idly by forever while the things to satisfy their needs are within easy reach." And surely Maury Maverick is on the right track when he defines democracy as "free speech plus groceries."

The Socialist Indictment

We doubt whether any writers have made a better or more concise statement of the socialist indictment against the capitalist system of industry, and the social order resulting from it, than the one to be found in *The Decay of Capitalist Civilization* by Sidney and Beatrice Webb. They rest their case on four counts.

"History proves," say the Webbs, "that whilst national poverty may have other causes, whenever and wherever the greater part of the population are divorced from the ownership of the instruments of production, even where the aggregate production is relatively enormous, the bulk of the people live in penury, and large numbers of them are perpetually threatened by starvation. In the second place, this penury and its accompanying insecurity are rendered more hideous and humiliating by the relative comfort and luxury of the proprietary class, and by the shameless idleness of some of its members. The worst circumstance of capitalism is, however, neither the poverty of the wage-earner nor the luxury of the property owner, but, thirdly, the glaring inequality in personal freedom between the propertyless man and the member of the class that 'lives by owning.' Hour by hour, day by day, year in and year out, the two-thirds of the nation who depend for their daily or weekly housekeeping on gaining access to the instruments of production find themselves working under the orders of the relatively restricted class of those who own these instruments. The sanction for the orders is not legal punishment, but, ultimately, a starvation which is supposed to be optional. That is what is meant by the wage-earners when they complain of 'wage slavery.' Fourthly, the socialist believes that the very basis of the capitalist system is scientifically unsound, as a means of organizing the production and distribution of commodities and services, and fundamentally inconsistent with the spiritual advancement of the race."

Socialist Terms and Their Meaning

In this section we shall give typical definitions of key concepts concerning the nature of socialism, its aims and objectives, and the methods by which democratic socialists propose to initiate their far-reaching program of social change. Most of the definitions, as the reader will note, are from the pens of acknowledged leaders of the modern socialist movement.

CAPITALISM—The nature and effects of capitalism are described at length in the first portion of this book, but it may be useful to include here the following short definition from G. D. H. Cole's *How Capitalism Works*:

"Capitalism is a system under which the instruments of production are privately owned by a limited class, and most men get their living by selling their labor to an employer for a wage. Modern capitalism is based on large-scale power production and the gathering of capital (means of production) into large masses under joint stock ownership."

SOCIALISM—Webster's New International Dictionary: "A political and economic theory of social reorganization, the essential feature of which is governmental control of economic activities, to the end that competition shall give way to co-operation and that the opportunities of life and the rewards of labor shall be equitably apportioned."

"This is Socialism: Community ownership of the means of producing and distributing wealth; and the organization of industry under that common ownership as a public service for the benefit of all; directed to social ends and to the equipment of the life of the whole people instead of, as now, to the private enrichment of a privileged class of owners."

—Fred Henderson: *The Case for Socialism*.

Concerning the ethics of socialism, an article in the *Encyclopedia Britannica* says they are "closely akin to the ethics of Christianity, if not identical with them."

Socialism, it is important to remember, represents a tendency rather than a strictly definable body of doctrine. Social systems are, by their very nature, a continuous development. They are subject, like everything else, to birth, growth and decay. But society itself lives on, and an outworn social system, when it becomes incompatible with new conditions of life, is replaced by one which serves more efficiently. No social system comes abruptly to its end one day, with another form of society replacing it the next. Social change takes place continuously, with the result that one form of social organization shades off gradually, almost imperceptibly, into another. Only very occasionally is any basic change accompanied by violent upheaval. Students of sociology and social psychology are convinced that man has at last reached the stage where, instead of being blindly at the mercy of economic and natural forces beyond his control, he can begin to consciously plan the next great forward step in his own evolution.

That step is the organization of a new form of society in which peace and security and international co-operation will replace the almost universal poverty, insecurity and mutual destruction which has been the common man's lot until now. The tendency towards this great change in human and social relationships is clearly observable. And the tendency to retain the old order at any cost is also observable. Millions of people have the opportunity today, as never before, of deciding which tendency they want to see prevail.

One socialist writer declares that whether a system is capitalist or socialist can best be determined by an analysis of its basic principles: "Capitalism remains capitalism even when certain minor sections of the economy are publicly owned and controlled and socialism will remain socialism even though certain minor sections of the economy may remain under private control. You cannot have a system in which the two sets of basic principles are in conflict with each other, but you can have a society governed by one set of basic principles but in which there may be specific variations." In other words, when the people vote a capitalist government into office, that government is basically dedicated to the preservation of the status quo, and such social legislation as it may institute will be aimed at pacifying the desire for fundamental social change; it will certainly not be aimed at advancing the tendency toward the ultimate goals the socialists have in mind.

THE "CLASS STRUGGLE"—It is sometimes charged that by referring to the class struggle, socialists set class against class and are thereby promoting class warfare instead of social harmony. The truth of the matter, of course, is that the charge is nonsense, if it implies that socialists create class warfare by stating the fact that society as it is now constituted manifests itself largely as a struggle "between those who possess but do not produce and those who produce but do not possess." Whenever socialists use the term class struggle it is intended as an objective description of the struggle which capitalism forces workers, farmers, teachers, professional men and the middle class, to engage in—namely, an organized tug-of-war for a larger share of the national income. When labor or professional services are regarded as commodities, the struggle consists in the employer's desire to buy "labor power" as cheaply as possible and of the worker's desire to sell his brains or brawn for a sufficient price to enable him to maintain a decent standard of living. In this sort of economic warfare, the worker and farmer usually come out less than second-best. Of late, worker and farmer have come to realize that their interests are similar. Brain workers ("white collar men," professional workers or technicians) have also begun to realize their need for united action. As J. S. Woodsworth wrote: "The fight is not between hand workers and brain workers. It is not between industrial workers and agricultural workers. The fight is essentially between the producers and the parasites—between those who are making a real contribution to social welfare and those who are living on the fruit of other men's labor." But he further remarked that any attempts to further the cause of socialism through violent methods would be deplorable, because "Physical force provokes

reaction. It is negative in character. It is an attempted short cut that delays rather than hastens permanent reform. We believe that moral ends can be attained only by the use of moral means. Hence we emphasize the education of the people and their banding together for political action."

ECONOMIC DEMOCRACY—"By economic democracy," declares Carl Dreher, "we mean a balance between capital and labor based on collective bargaining, governmental regulation, income taxation, and whatever other measures may be required to effect a redistribution of income from the propertied to the propertyless."

"CITIZEN OF THE SHOP" is an excellent phrase, expressive of one of the vital goals of true democracy. The idea behind it is that the worker should enjoy certain rights as a citizen of industry. should have a more direct voice in governing the conditions under which he must work.

In the "Simple Case for Socialism," G. D. H. Cole puts the whole matter very clearly, as follows: "Under socialism every worker in a socialized industry will be regarded as holding a part of the public power. Every worker will be a recognized citizen of his industry as well as of the state, and of the factory or establishment in which he works, as well as of the town or district in which he lives. Democratic self-government in industry will be set up as the logical and necessary correlative of political self-government. The community as owner of the service, will lay down the general line of the policy which is to be followed in administering it; for the service must be so managed as to meet the public need. But, having done this, the community will hand over the service to be actually controlled by the entire body of workers engaged in it, from the general managers at the top to the less skilled workers who are also indispensable to its working. Every public service will be organized as a self-governing guild or corporation, of which every worker will be a responsible and co-operating member."

ECONOMIC DETERMINISM is a rather formidable-sounding term, until regarded as simply another way of saying that the manner in which people produce and distribute the basic necessities of life exerts greater influence than any other single factor, upon their political views, their religious and ethical concepts, and even their arts and social customs.

Karl Marx declared: "In every historical epoch, the prevailing mode of economic production and exchange and the social organization necessarily following from it, form the basis upon which is built up, and from which alone can be explained, the political and intellectual history of that epoch." Modern socialists can readily accept this definition, provided the word "alone" is modified to "best."

To apply the principle of economic determinism to the field of religion, for example, may seem very far-fetched. Just the same, scholars have noted that in societies where hunting is the chief means of securing a livelihood, the Deity is conceived as a Mighty Hunter. In pastoral society, God is compared to a Good Shepherd; in barbaric society—to a Great Warrior; in industrial society—to a Great Architect or Engineer.

To use another illustration: what except the underlying conflict in economic motives could explain the opposite positions on the slavery question taken by clergymen during the American Civil War? In the South, most of them used texts and arguments aimed at proving that slavery was a divine institution; while in the North clergymen of the same religious denominations were advancing opposite views. Economic motivations likewise determined the position taken by the newspaper editors on the same issue. There is the natural tendency to find that what is profitable is morally correct. The conscious realization that economic motives may distort one's moral outlook is more widely diffused today than at any other period in human history, due mainly to the educational efforts of the socialist movement.

Even though unschooled in socialist terminology, the average newspaper reader now discounts most of the opinions he finds on the editorial page because he suspects (and with good reason) that the views expressed are in conformity with those of the publisher, and that the views of the publisher, in turn, tends to coincide with the economic interests of the wealthy advertisers. Knowing who pays for the tune the reader is wary of being seduced by the piper.

Further evidence of the common man's awareness of economic determinism can be adduced from such expressions in his everyday talk, as "He's in it for what he can get out of it," "She's marrying him for the money," or "What's in it for me?" The power held over the lives of millions by trusts, monopolies, cartels and combines, is also common knowledge.

Take another grievous problem, such as racial and religious animosities, and you will find it generally admitted that, while these are not purely economic in their origin, they almost invariably rise to the boiling point whenever large masses of people are faced with unemployment and insecurity—or fear its approach. Thus, in February, 1945, Elmo Roper, who conducts the Fortune Poll of public opinion, sounded a timely warning. He stated that racial and religious prejudices are growing to a point where a revival of Ku Klux Klanism might again take place in America. He noted the marked increase in anti-negro, anti-Jewish and anti-Catholic feeling, and although no Marxist, Mr. Roper said: "Give people something constructive to do and they will not have enough time to hate each other." Which is another way of saying that nothing short of a program of full production, to assure full employment, can check this alarming rise in racial tensions.

Socialists do not say that economic motives determine everything. They do stress the undeniable fact that when individuals are frustrated in their desire to earn decent and secure livelihoods, they are also frustrated psychologically and spiritually—often to a tragic degree. Hence it is clear that economic determinism provides a fundamental guide to social engineering, when it advances the proposition that economic freedom and security is the only stable foundation for all other freedoms and decencies.

THE MIDDLE CLASSES—The great majority of socialists today are in accord with the views of Harold J. Laski, when he declares that the socialist movement "has got to make the man of science, the technician, the managerial class, recognize that the kind of society for which it stands offers them an opportunity, a power, a security, which they cannot attain under the present order." Included in the middle class category, along with those just mentioned, are the small merchants and shopkeepers, small manufacturers, teachers and members of a great variety of service professions who work on a salaried basis (sometimes referred as the "salaried"). These are groups upon whose contributions the success of a planned democracy, to a very large measure, depends.

SOCIAL JUSTICE—Many years ago, the great humanitarian, Count Leo Tolstoy, remarked that "the position which we, the educated and well-to-do classes, occupy, is that of the Old Man of the Sea, riding on the poor man's back. . . . We are very sorry for the poor man, very sorry; and we will do almost anything for the poor man's relief. . . . Yes, we will do almost anything for the poor man, anything but get off his back."

The plea for social justice is universal among socialists. They demand more than mere relief of the poor man's sufferings; they urge the abolition of the poverty-creating system itself. For, as Fred Henderson says: "You own men when you own the things essential to their life and work." "Emancipation of Labor," declares George Julian Harney, "is the only worthy object of political warfare—that those who till the soil shall be its first masters, that those who raise food shall be its first partakers, that those who build mansions shall live in them."

The immortal Anatole France said that "Poverty is indispensable to wealth and wealth to poverty. These two evils beget one another. The condition of the poor does not need to be improved, but to be suppressed."

"We have to achieve the reorganization of the world," says H. G. Wells, "as one continually progressive, political, social, economic and educational community, and embark upon the realization of the abundance and ever fuller life for man that is now attainable. We have to do that because there is no other road except the road to destruction."

Thus we have incontrovertible evidence that, far from desiring to place limitation on human freedom and opportunity, socialists want to extend them; want to make them meaningful terms for the great masses of mankind.

"Why should there not be a patient confidence in the ultimate justice of the people?" asked Abraham Lincoln. "Is there any better or equal hope in the world?"

What Is Fascism or "National Socialism"?

This is a vitally important question. Many editorial writers on this continent, aided and abetted by high-salaried "public relations" experts, are engaged in a deliberate campaign, the object of which is to create all the fear and confusion they possibly can within the public mind with reference to the word "socialism." By doing their utmost to create the belief that all socialism resembles and is based upon similar principles to the justly hateful "national" socialisms of Hitler and his Axis partners, they hope they will be successful in deflecting the growing interest throughout the world in the principles of true socialism.

It is not a difficult matter to make a clear distinction of the complete and total obliteration of every principle of genuine socialism by those who chose to pervert and frustrate the democratic aspirations of their peoples by calling themselves "national socialists."

Dr. E. Stanley Jones, in his great book "The Choice Before Us," publishes an authoritative check-list of the key beliefs and modes of action adopted by the "national socialists" (the more proper name for whom are Nazis or Fascists).

Here is Dr. Jones summary:

"Nazism is intensely nationalist and chauvinistic. Even history is distorted to serve national ends. It is opposed to world brotherhood. The German people and German culture are to be supreme in the world. Even religion is subordinate to totalitarian controls. The State is supreme and is to continue indefinitely. Classes continue. Individual liberties are sacrificed for the sake of national and racial glory. The Press is a piano on which the Propaganda Minister can play any tune that he likes. Indeed every channel of communication, including the radio, is under his domination.

Private property is retained. Capitalism is kept intact. Big business is at the back of both Fascism and Nazism.

Nazism stands for the ultimate in Regimentation. It teaches that individual realization is possible only through absolute obedience to the whims of the Dictator—Hitler. It represents coercion and violence, blood-letting, periodical purges, ruthless methods. War and imperialistic expansion—at the expense and destruction of neighboring peoples and interference in other countries.

Nazism is anti-intellectual and directs its chief appeal to the lowest emotions, passions and prejudices of men; teaches that the end justifies the means; denies the equality of men before God. It stands for the subordination of women, and believes their chief usefulness lies in contributing sons for the battlefield; hence it discourages them from entering the professions or working in industry. Its entire social structure is modeled on the principles of military organization. Its final result is the suppression of every vestige of independent opinion and opposition at home and the preparation for aggression outside of its national boundaries."

Such are the chief and infallibly recognizable hallmarks of what can be properly called Fascism, Nazism or National Socialism. Thousands of real socialists have laid down their lives in the long and costly war to wipe such utter perversions off the face of the earth. We challenge anyone show there is any similarity whatsoever between the kind of socialism advocated in this book and the doctrines and practices of National Socialism as defined by Dr. Jones.

Furthermore, it would be equally stupid for any of the status quo propagandists to imply there is anything in common between the destructive thing called the National Socialism of Hitler and the type of socialism and social reconstruction which exists in the Soviet Union.

Leading Objections to Socialism Answered

As the struggle between the growing forces of a just social order and the declining forces of the irresponsible old order clash directly in the final struggle for power we find numerous false conceptions about what may be expected under a socialist society. Some of these questions may be raised in all good faith by sincere enquirers. We suspect, however, that many of them are advanced maliciously by public relations counsellors, editors and the defenders of the status quo to mislead and confuse those who are struggling to gain their mental equilibrium in a new world. Accordingly we will deal with a number of the most common questions with a view to dispelling the prevailing confusion.

Where is the Money Coming From?

Since socialism is the very opposite of capitalism as an economic system there are those who claim that it is the intention of the latter to do away with capital. This is merely a straw man. In a socialist society, capital would be quite as essential to efficient production as it is now.

Capital may be defined as real wealth which is not immediately consumed but which is devoted directly to the production of more wealth. It is hardly necessary to say that all capital equipment has a very limited durability. It wears out. If not replaced, production would be hampered and eventually would cease. Therefore capital equipment must constantly be maintained, and this means setting aside a certain percentage of the national income to make good the wear and tear of the producing system. And in addition to that, in an expanding economy, as socialism necessarily would be, it will be imperative from time to time to find new capital for the extension of the productive capacity of existing industries as well as for entirely new industries which will be made necessary through the expanding desires of the consuming public.

All wealth, whether used for consumption or as capital goods, is socially produced. While thousands of workers are engaged in producing one single commodity they must in turn depend for the continuation of their production on thousands of other workers in many other factories. A steel plant for example must depend on mines for raw material, such as iron ore and

coal, on machine shops for equipment, on power plants for its power, on farmers for food for its employees, on textile mills for their clothing and on building trades for the homes in which they live. .

So, no matter what particular commodity may be selected it is produced socially in a closely integrated system. Thus, all wealth produced is a social product; all workers have actually co-operated, consciously or otherwise, in the nation's annual output of wealth. Since this is so, it follows that the working people of any community are the producers of all wealth. Having produced all wealth they have produced also the wealth used as capital. Today, however, all wealth used as capital is owned by those who own the means of producing wealth. It represents the surplus of the collective effort of the community over and above that which has been consumed by the community. It is therefore social in its origin, and should be so recognized. In fact capitalism is designated and recognized as a system which depends on the private ownership of capital. The surplus produced by all the workers of the community under this system passes into a few private hands and is subsequently used as a further means of exploiting those who created it.

The difference therefore, between capital in a socialist state and capital in a capitalist state is that in the latter it is owned privately, whereas in the former it would be owned socially. In the one case it is used for exclusive private purposes; in the other it is used for social purposes. Privately owned capital is used to increase the profits of the owner; socially owned capital will be devoted to raising the living standards of the whole community.

Sufficient capital to maintain and expand our producing capacity could be provided for very easily in the national plan without inflicting any unnecessary hardship on the rank and file of the community. It might be achieved by increasing production from the output ordinarily required to satisfy the people's essential needs to the full-capacity production of the industry concerned. But if it were necessary to make sacrifices to acquire more capital with a view to obtaining larger returns in the future, the community is quite as competent to do that as any individual ever was or ever will be.

As we have seen, Russia is the shining example of a people under unspeakable hardship producing and creating its own social capital. Against the opposition of the entire world, both military and economic, the Russian people managed to create sufficient capital to enable them to carry on with marked success, the greatest war of all time. Its achievement in this respect has been too spectacular and marked with too much significance to the well-being of the world at large to have escaped notice.

Socialism, as the late Archbishop of Canterbury remarked in effect, cannot get along without capital, but it can get along very well without capitalists.

Will Private Property Disappear?

It is quite true that the average person is afraid of losing his private property, and if he happens to be one of those who owns no private property at all he is scared beyond description. For some, to lose what they have

is bad, but for others to lose what they never had seems to be terrible to contemplate. Happily, however, socialism does not and never has proposed to take away private property. On the contrary one of its most important functions is to distribute to the people more private property than they ever had before.

When asked to glow with pride at the great wealth being produced by our farmers, workers and technicians, here are some figures to bear in mind. In the U.S.A., a report by the Federal Trade Commission (1926) declared that 1% of the population owned 59% of America's wealth, while 87% of the population owned a mere 8%. In their book, *Strategy for Democracy* (1942) Kingsley and Petegorsky point out that 75,000 persons, constituting only six one-hundredths of one per cent of the population, own fully half of all the corporate stock held by American citizens. As for Canada and Great Britain, Lewis and Scott in *Make This Your Canada* (1943) point out that in England 6% of the population owns 80% of the capital and "the proportion is probably similar in Canada, although no equivalent analysis has been made here."

The thing we want to stop is the private ownership of public property. Who, for example, would want a private corporation to own our public schools, or our public roads and highways, or our public parks. No one, I am sure, would agree to passing these public properties over to private corporations. There is just as little justification for turning over to private corporations such public property as our nickel, copper, coal, gas and oil, timber, the machines of production, or the financial institutions. These are, by their nature and function public property.

All the profits which now go to individuals who unjustly own privately the property which belongs to the public would, under socialism, go to the average man as an increase of his purchasing power.

What About Regimentation?

What is this "freedom" which free enterprisers are so afraid of losing by the introduction of socialism? It is the freedom to dominate the industry in which their capital is invested; the freedom to dominate also the people who depend on that industry for their living; and to dominate the general public which consumes the products of such industry. It is a freedom of economic dictators to work their wills regardless of how that may nullify the wills of other people; it is a freedom of the privileged which has brought about the bondage of the masses.

Mr. William R. Yendall in a brief to the Senate Reconstruction Committee at Ottawa says: "We business people would certainly deprecate a situation where the economic experts in government would plan out a certain well-defined scheme of post-war adjustment, and then come along and ask us to fit into it." It does not seem to have troubled Mr. Yendall and those for whom he spoke that he and they brought about an ill-defined, planless economic situation into which the people had to fit themselves. It does not seem to have occurred to Mr. Yendall and those who think as he does that this "fitting in" of the Canadian people to the conditions of a profit economy is the most rigid, soulless and brutal kind of regimentation imaginable.

The fear of want, the fear which haunts parents that their children may be in want, the gnawing of an empty stomach, the chilly cold of a bare back are the powers that regiment ninety percent of the population under our present system.

Why does a family move into the slum area?—regimentation; why does a farmer's son hire out with another farmer or go to the bush instead of to high school?—regimentation; why do men with splendid aptitudes for science, technology, the professions and the arts find themselves digging ditches, doing janitor work or milking cows?—regimentation. Five hundred men crowd the door of an employment office which has advertised for twenty men. Who says which twenty out of the five hundred shall be hired and that the four hundred and eighty shall have no work?—regimentation. There is a queue of hungry people standing in line before a soup kitchen door in one of our Canadian cities. Who regimented them into that degrading line-up? The regimentation of poverty did that. But those who own the mineral wealth, the water power, the machine of production and the financial institutions are immune from that sort of regimentation. They don't want to be regimented by public opinion into serving the community. They want to regiment the community through economic necessity to serve their profit motive.

We have but to look at the co-operative concerns now operating throughout the civilized world, at the people in the postal service, at the workers in the Ontario Hydro-electric or T.V.A. in the United States, and at the people who work in municipally-owned and operated projects, to see that they are as free to come and go and to choose this or that sort of work as they are in any privately owned profit seeking concern on earth. And in addition they have the satisfaction of knowing that they are engaged in a work which has the service of the community as its sole objective. That in itself is a satisfaction which no one working for the profit of a private monopoly can ever enjoy.

The "Bureaucracy" Bogey

An economy planned to achieve a collective purpose would involve a certain degree of centralization to be sure. This fact gives rise to a fear alleged or real that what is called "bureaucracy" may result.

While there would have to be a measure of central control so that all facts and phases of the economy might be properly assembled, it does not follow that everything would be worked from a common centre. For example, every ship in any commercial line of shipping is under the direction of the head office, but every captain is master of his ship at sea. The routine of navigating and working a liner from port to port cannot be done satisfactorily from head office. That is done by the officers and the crew. But at the same time that ship exists for and is run in the interests of the company.

Similarly, all important industries would be subject to centralized control to the extent that they would be co-ordinated and meshed into the economy of the public interest, but each industry or factory would be under its own local management, whether it be a co-operative, a municipal, a provincial government or a federal government undertaking.

As a matter of fact the process of centralization has been almost completed under our present system. International Nickel, Aluminum, Banking, Manufacturing would be no more centralized and no more directed under socialism than they are under private ownership. The only difference would be that the public rather than private owners would own these monopolies, that they would be directed toward the public good rather than private gain.

Proof That Planning Can Be Democratic

Sufficient centralization to make it possible for the total community effort to have a bearing on the accepted collective purpose, does not mean that everything will be run by bureaus from a common centre. The Soviet system must be brought in as evidence against the view that socialism means bureaucracy. The Soviets are local organizations. They do in every community that which private corporations do here. They build and direct their hospitals and schools; they run their street railways; they attend to the building programs so as to provide homes for their citizens; they build streets, sidewalks, public buildings, and construct sewage and water systems.

Some idea of what is done by local democratic units in Russia may be gathered from the following list of activities taken from "Moscow in the Making," by E. D. Simons. This list was also quoted by the Fabian Society in its book "Our Soviet Ally." Here is the list: Agricultural, Anti-aircraft Defense, Building, Communal Economy, Communications, Courts, Prosecutions, Police and Fire, Culture, Defense, Elimination of Adult Illiteracy, Finance, Fuel, Homeless Children, Housing, Local Industry and Co-operation, Local Trading, Main Drainage, Motor and Horse Traffic, Public Feeding, Public Health, Railway Transport, Roads, Bridges, and River Banks, Schools, Sewage, Lighting, Green Belt and Parks, Tramways.

The National plan is centralized in its objective, but de-centralized in its execution. Labor Unions, for example, play an important role. In 1928 there were 11,600,000 members of industrial unions in Russia. Every year since then there has been a marked increase. Contrary to the misrepresentations which have been fed in this country, joining a labor union is a voluntary thing in Russia. In 1941 the union memberships had risen to 27,000,000. This is three times greater, in relation to the population, than the union membership in Britain. The very idea of bureaucracy becomes absurd when it is realized that these 27,000,000 people are actually engaged not only in industry but also in the performance of all the social activities listed above; that their leaders are chosen from among themselves and may be, and often have been, discharged abruptly by the vote of the local union for incompetence or dishonesty. The Soviets and the labor unions are in fact, true democratic units. They are responsive to all the realities of any given situation. As long as these democratic units function, bureaucracy cannot exist, nor will incompetents be permitted to usurp and hold positions of responsibility.

This method of de-centralization of control is essential. Bureaucracy is an inherent danger in any large-scale organization. It has developed rapidly under capitalist centralization.

In Chapter I of *Our Soviet Ally* Margaret Cole has this to say: "The Soviet citizen can criticize to his heart's content, verbally or in print, the views and behaviour of those responsible for running shops and factories. If he believes the manager of his factory to be a fool, a bully, or a thief, he can say so, whereas his opposite number in Britain would be sacked on the spot and anyone who repeated the charge, or took up his cause publicly, would be liable to be broken on the wheel of the libel laws."

It is easy to understand how bureaucracy develops where democratic organizations like the farmer and labor unions are refused a voice either in industry or in national affairs. It is common knowledge that organized labor in Canada has pressed for the discharge of the Minister of Labor, and urged that dollar-a-year men should not be entrusted with the direction of war industry. It is also well known that both farmer and labor organizations have clamored for representation on the important boards for the carrying on of the war effort. These expressed desires on the part of farm organizations and of labor unions for a partnership in the national effort during the prolonged crisis of war have been ignored. Bureaucracy headed by personally interested dollar-a-year men has dominated.

Public ownership of industry is the only conceivable way to rid ourselves of bureaucracy. That would strike a double blow at the evil. For it would remove the private profit motive which induces individual owners of industry to cultivate bureaucracy and it would give a new and personal interest and responsibility to every worker. This awakened interest would discourage all forms of bureaucracy. Employees would become partners in industry. They would take a personal, as well as a collective interest in the factory or industry in which they were engaged; they would take full advantage of the partnership relation by actively participating in the direction of the enterprise so as to secure the greatest possible results for the least possible effort.

Will Socialism Destroy Incentive?

It is frequently contended that a socialist society would destroy all incentive, all initiative, all desire for self-advancement, because these qualities flourish only under conditions which offer unrestricted opportunities for private gain.

In replying to this mistaken charge, we shall begin by stating three important facts about initiative, incentive, ambition, or whatever one may choose to call it.

First, that it is a natural and inevitable response of man in his struggle for survival, and as we propose to keep on surviving, initiative will continue to perform its biological function. Second, that private initiative may become very dangerous to the community's welfare, unless guided and directed by a worthy collective purpose. Third, that Russia's tremendous and unparalleled achievement in industrial progress and in military exploits since 1917, as a socialist state, proves beyond argument that initiative is an indestructible part of man's biological equipment, and that it

can be stimulated to an extraordinary degree by the opportunity for a fuller life which socialism affords to all through collective effort.

That, I take it, is a complete answer to our critics in this regard. For the best way to become convinced that man can fly is to look at an aeroplane flying overhead. That ends argument. So also the best way to become convinced that initiative under socialism has reached the highest pitch in the history of the world under socialism is to look at Russia.

It but remains, then, to have a look at how initiative fares under our economic set-up. It is quite true that even capitalism has not destroyed it, because as long as there is life there will be initiative. You can force a man to exercise his initiative by throwing him into the river. He will struggle to reach the river bank, will grasp any floating object within his reach which may give him assistance, but the whole experiment would represent a needless waste of good human energy. That is analogous to what the present system does to most of us. In 1933, it threw thirty million people into the streets of the world without jobs, without income, and without homes they could call their own.

It is worthy of note that the initiative of the capitalist himself is often thrown into reverse at a time of depression when the profit motive puts its hand on the lever of the producing mechanism. Depression grows out of the system as certainly as the grass grows in spring time. Observe what happens to the initiative of a manufacturer who has already produced more than the profit market can absorb; what happens to the initiative of the farmer who has produced more grain, livestock, vegetables, poultry and dairy products than people can buy; what happens to the wage-earner when he knows that he will be discharged as soon as the job is finished, or as soon as the output of the factory or mine exceeds the restricted demand? These conditions have been a common experience.

When a manufacturer closes down his factory because of a glutted market; when a farmer has to allow his fruit to rot on the trees or to leave his vegetables to rot in the fields; or when a worker anticipates a lay-off, then initiative goes into reverse. The manufacturer's initiative finds expression in deliberate restriction of production; the farmer, finding the markets for his produce gone, must plough his fields to keep down weeds, having to accept the entailed loss of effort without a chance in the world of any return; the worker trying to prolong his job since his income stops when the job ends, exercises ingenuity in appearing to be working when he is not. In the face of these well-known facts how can anyone muster the audacity to charge socialism would destroy initiative?

If there were anything which could kill human initiative, it would be looking for employment in a country in which no work was to be found.

Collective Initiative

Socialism is the organized expression of a collective initiative. Why do not the privileged welcome the initiative which socialism engenders? To ask the question is to answer it. The fact is that it is not the fear that socialism will do away with initiative that is bothering the capitalists, it

is rather the fear that socialism will have much too much. For under socialism, the individual would not only have that spur to effort which the desire for food, clothing and shelter gives, but a vast horizon of opportunity would open up before him in addition. Socialism will be a guarantee of security and leisure. These are the parents of a greater initiative than capitalism ever knew. What an opportunity for the initiative of the young men of this generation to plan and to build the new world for which they have fought! To build a way of life on which all men may walk as human beings! Think of the incentive it will be for young men to struggle for the honor of having made the greatest contribution to society. Today those who have taken most away from society usually are honored the most. Instead of making a plutocrat a Knight of the Garter or a Knight of the Bath, socialism will recognize real merit by creating a Knight of Invention, a Knight of Discovery or a Knight of Human Brotherhood.

With fear of want gone as it will be under socialism, and with a measure of leisure which a just reward and a progressive technology can assure, men will be stirred to action as never before. Their creative powers will be released; they will be inspired by the incentive to make this planet the home of human beings.

Socialism and the Worker

"The highest incomes are nearly always unearned and the lowest are always earned by hard labor."—A. J. EVANS.

In April and May, 1944, the 26th session of the International Labor Conference met in Philadelphia, U.S.A., "The City of Brotherly Love." It was attended by delegations representing governments, workers, and employers from 41 nations, members of the International Labor Organization. This Declaration, called The Philadelphia Charter, was unanimously adopted by the conference:

- (a) Labor is not a commodity;
- (b) Freedom of expression and association are essential to sustained progress;
- (c) Poverty anywhere constitutes a danger to prosperity everywhere;
- (d) The war against want requires to be carried on with unrelenting vigour within each nation, and by continuous and concerted international effort in which the representatives of workers and employers enjoying equal status with those of Governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.

Believing that experience has fully demonstrated the truth of the statement in the Constitution of the International Labor Organization that lasting peace can be established only if it is based on social justice, the Conference affirms that:

Sixty Million Jobs for Americans Five Million Jobs for Canadians



Political co-operation between farmers and city workers is the first step towards higher incomes and a better life for both.

Co-operation sets the farmer free. It is an ideal way of life for all.



- (a) all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity;
- (b) the attainment of the conditions in which this shall be possible must constitute the central aim of national and international policy;
- (c) all national and international policies and measures, in particular those of an economic and financial character, should be judged in this light and accepted only in so far as they may be held to promote and not to hinder the achievement of this fundamental objective;
- (d) it is a responsibility of the International Labor Organization to examine and consider all international economic and financial policies and measures in the light of this fundamental objective;
- (e) in discharging the tasks entrusted to it the International Labor Organization, having considered all relevant economic and financial factors, may include in its decisions and recommendations any provisions which it considers appropriate.

The Conference recognizes the solemn obligation of the International Labor Organization to further among the nations of the world programmes which will achieve:

- (a) full employment and the raising of standards of living;
- (b) the employment of workers in the occupations in which they can have the satisfaction of giving the fullest measure of their skill and attainments and make their greatest contribution to the common well-being;
- (c) the provision, as a means to the attainment of this end and under adequate guarantees for all concerned, of facilities for training and the transfer of labour, including migration for employment and settlement;
- (d) policies in regard to wages and earnings, hours and other conditions of work calculated to ensure a just share of the fruits of progress to all, and a minimum living wage to all employed and in need of such protection;
- (e) the effective recognition of the right of collective bargaining, the co-operation of management and labour in the continuous improvement of productive efficiency, and the collaboration of workers and employers in the preparation and application of social and economic measures;
- (f) the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care;
- (g) adequate protection for the life and health of workers in all occupations;
- (h) provision for child welfare and maternity protection;
- (i) the provision of adequate nutrition, housing and facilities for recreation and culture;

- (j) the assurance of equality of educational and vocational opportunity.

Confident that the fuller and broader utilization of the world's productive resources necessary for the achievement of the objectives set forth in this Declaration can be secured by effective international and national action, including measures to expand production and consumption, to avoid severe economic fluctuations, to promote the economic and social advancement of the less developed regions of the world, to assure greater stability in world prices of primary products, and to promote a high and steady volume of international trade, the Conference pledges the full co-operation of the International Labor Organization with such international bodies as may be entrusted with a share of the responsibility for this great task and for the promotion of the health, education and well-being of all peoples.

The Conference affirms that the principles set forth in this Declaration are fully applicable to all peoples everywhere and that, while the manner of their application must be determined with due regard to the stage of social and economic development reached by each people, their progressive application to peoples who are still dependent, as well as to those who have already achieved self-government, is a matter of concern to the whole civilized world.

Labor Unions Fathered Socialist Philosophy

If the principles embodied in this Charter were to go into effect upon a world-wide scale, it would open up an entirely new era in human relationships. It would add an economic "bill of rights" to our greatly treasured political "bill of rights."

But the International Labor Office, we must remember, is only a consultative body. The measures it advocates do not become law unless, and until, they are adopted by each of the 41 nations represented at the Conference.

No great rush to enact them into law is so far apparent.

Policies relating to such urgent goals as full production, full employment and social security cannot be shelved for another generation. They must not be kept in the "inspiration" stage too long. "The war against want" (we quote the Charter) "requires to be carried on with unrelenting vigor within each nation, and by continuous and concerted international effort . . ."

Labor will therefore measure the sincerity of governments by the speed and vigor they show in implementing the provisions of the Philadelphia Declaration.

Contrast the I.L.O. affirmation of the right of all human beings to material well being and spiritual development under conditions of freedom and dignity—to this scene in Canada in 1932. This word picture of the unemployed period was well portrayed by E. E. Roper, M.L.A. in the Legislative Assembly of Alberta:

"I stood one cold, wet spring morning in a doorway on a street in Edmonton and saw go by in front of me the most miserable procession I had ever witnessed. Their clothing might have been the contents of a

thousand rag-bags—old overcoats, obviously made for someone else, their collars turned up against the cold rain; old mackinaws which were relics of the days when there had been work in the lumber woods; old suits frayed at all the edges, old hats, and caps of every description pulled down over shaggy heads; old shoes that flopped along on the wet sidewalk. There they were, the unemployed single men, hundreds of them, on their way to the relief office to get their tickets for their miserable two meals and a flop."

Yes, Labor has gone a long way since that cold, wet spring morning. Yet the people who work for wages have never had what they needed, much less what they wanted.

Since the dawn of the industrial revolution they have had a continuous and grim struggle to protect themselves from sinking below the level of subsistence. That struggle, beginning with the old guilds, has gone right through the centuries up to the most modern industrial union.

Working men have banded themselves together in working brotherhoods and have contrived to use their industrial strength to protect and occasionally to raise the wage level. It would be a mistake to say that labor unions have been a failure. Without doubt, they have been able to secure from the employer higher wages and better working conditions. But Labor's relative position in the economy has not been altered a great deal. It still faces the greater task of removing the causes of its impoverishment.

Without doubt, the plight of the working people in the face of an ever growing capacity to produce was responsible for the conception of socialism as a system of society which would carry into its economics the principles of justice expressed in the democratic philosophy. In this way, labor unions may be said to have fathered the socialist philosophy. It was seen very early in the industrial period that machines driven by steam or other power could be developed to produce unlimited quantities of goods. As time went on, and modern science and invention and technology advanced, the possibility of an age of plenty grew in the imagination, side by side with the realities of unemployment and deepest poverty.

This came to a climax in 1929, when, in a world of potential abundance, more than thirty million people were unemployed and starving throughout the world, while they needed so badly the goods which modern facilities were ready to produce for them. Organized labor then found that in the period of its greatest need its strength was almost nil, because the less there was to do the more unemployed, and the more unemployed the fewer belonged to the Unions. The fewer in the Unions, the easier it was to force down wages and the greater the difficulty of maintaining accepted labor standards.

Is there any reason to hope that in the post-war world the position of labor will be any better than it was in the great depression? Mr. Harold Loeb's "Chart of Plenty," which is the most important historical and scientific document of modern times bearing on labor and the economic problems of modern capitalism, has this to say, "Under the open market system, a wage possessing greater buying power is not to be expected.

Labor is a commodity to be hired or bought at the lowest possible price. Practically, the lowest price is the wage which will provide for a bare subsistence level."

This finding will be no news to the average wage earner. He knows from experience the truth which Mr. Loeb found after delving with meticulous care into the facts of our modern industrial life. It is therefore in no way out of place for us to ask and endeavour to answer the two following questions: What will socialism do for laboring people; and what might laboring people be expected to do in the establishment of socialism?

Political Action Contemplated

Industrial unions of our time, at any rate, appear to have a positive and constructive objective. They are not content to be a mere defence mechanism in an economy, the nature of which makes constant defence a necessity. While they still strive to protect their hard-earned rights, they seek also to challenge the powers which jeopardize those rights. They are not content merely to go on strike as a last resort. Rather have they decided on a total effort to be constantly pursued until the evils which make strikes necessary and unemployment inevitable, have been removed. The best example of this new attitude on the part of organized labor was that taken by the Canadian Congress of Labor at its 1944 annual Congress. It then adopted a political program so comprehensive in its scope as to envisage the entire field of action, industrial and political, both at home and abroad.

The following is a brief summary of the C.C.L. program:

- (1) Full employment at useful jobs at union wages and under union conditions, for every man and every woman able and willing to work.
- (2) Social ownership of Banking and Finance, in order that investment may be properly directed in keeping with the needs of the whole community, and that publicly owned enterprise may be financed.
- (3) A comprehensive plan of social security including:
 - (a) Unemployment insurance to cover all workers, and an adequate scale of benefits;
 - (b) Free medical and dental services;
 - (c) Sufficient income for the sick and disabled to permit the maintenance of the current living standard;
 - (d) Pensions for widows and orphans;
 - (e) Maternity benefits;
 - (f) Children's allowances without interference with wage standards.
- (4) Democratic controls in the transition period, with permanent controls over such things as foreign exchange, bulk purchase of essential imports and bulk sale of staple exports.
- (5) Program of Public Works sufficient to absorb the lag in unemployment after the war.

- (6) Lay-off pay equivalent to the difference between average wages and unemployment insurance benefits.
- (7) Rehabilitation and reestablishment in civil life for all members of the armed forces. This includes suitable work, adequate income, opportunity for those desiring it to complete their education, free of cost and with adequate living allowances for themselves and dependents while attending university; all who are sick or disabled must receive free medical services as long as they need it; pensions in keeping with the sacrifice made for all whose earning power has been impaired; dependents of service men and women killed in action must be adequately provided for; until suitable work has been found, veterans should receive service pay and allowance together with free medical and dental care.
- (8) A comprehensive Housing program undertaken by the community and which will provide at least half a million new homes.
- (9) A National Food Policy which will provide an adequate balanced diet within the means of the poorest citizen, and will at the same time give the farmers a guaranteed market and an adequate price for their products.
- (10) Government-owned war plants to be retained under public ownership and converted for use in peace.
- (11) National Fuel Policy based on public ownership of coal and oil.
- (12) The co-ordination in a single scientific national transport plan of airways, railways and shipping, etc., under a publicly owned system.
- (13) Taking over of all private radio stations and working them under one publicly owned broadcasting scheme.
- (14) Raising the rural standard of living by electrification and housing programs in addition to the benefits which would accrue from the implementing of the entire Labor program.
- (15) Equal opportunity for education by making education free from the primary school, up to and including university. This program to include salaries for teachers on a par with that of highly skilled workers, or other professionals.
- (16) Shortening of the work week in keeping with expanding technological improvement and without reduction in pay.
- (17) A basic minimum wage, which will provide an adequate standard of living to be established for all workers.
- (18) Establishment by law of the right of labor to organize in the union of their choice and to bargain through such union with the employer.
- (19) Passing of legislation assuring decent working conditions, including:
 - (a) Day nurseries for working mothers;
 - (b) Canteens, providing nutritious meals at cost, in every establishment;
 - (c) Two weeks holiday with pay each year for every worker.

- (20) Labor representation equal to that of the employers on all government boards and agencies.
- (21) Raise the exemptions from Income Tax of married men to \$1,500; single men to \$1,000.
- (22) Economic equality for all Canadian workers, no sub-standard wages, no double standard. For women workers, equal pay for equal work.
- (23) Participation of unions in management of industry through production committees, with a view to achieving complete industrial democracy.
- (24) Co-operation, a thoroughly democratic form of social ownership, should be encouraged and all legal obstacles to its development removed.
- (25) Provision of recreational facilities to enable all workers to make the best use of their leisure.
- (26) All Racial or Religious discrimination should be abolished. Legislation should be passed making it an offense to refuse employment for reasons of race or religion.
- (27) In economic and social matters it is urged that the federal government should have full jurisdiction.
- (28) Abolition of the Senate.
- (29) In international affairs Canada must work in co-operation with other United Nations, and particularly the nations of the British Commonwealth, the United States, the Soviet Union, and China, in establishing and maintaining world peace.

This Socialistic program of the Canadian Congress of Labor, implying as it does the exercise by labor of its full strength, industrially and politically, points toward the true path of progress for the future. It is sound, constructive and challenging leadership. If followed it will end the short-sighted practice by which Labor has too often nullified on election day that which it had achieved by its industrial union activity. But this program has a deeper significance than that. It establishes Socialism as the goal of organized Labor; it aims at the reconstruction of society on such a basis that Labor activity will not be frittered away in futile bickerings which are negative, and which would be needless, were the suggested economic changes to be made. Instead of accepting capitalism, as a necessary and inevitable evil, and assuming that the chief function of Labor unions is to go on as a defence mechanism, struggling for the crust which that system affords, this program reaches out to attain that full reward of Labor which science and technology have brought within reach. By removing capitalism itself, a negative defence would be no longer necessary. Organized Labor could then use all its strength constructively; it would become the medium through which democratic citizenship would function effectively; and there would be no clash between the economics for which a worker votes on election day and that to which he gives his energies in the factory, and which he seeks to further in his Union.

The main beams which support the structure of the program of the Canadian Congress of Labor appear to be:

- (1) An opportunity to work for a living;
- (2) Participation in the formulation of industrial policy and in management;
- (3) The distribution of sufficient income to make it possible for every individual to secure an accepted minimum standard of living.

Though not prepared to follow the lead of the Canadian Congress of Labor and endorse Political Socialist Action, the Trades and Labor Congress of Canada at its 60th annual convention unanimously endorsed an 18-point program for rehabilitation and reconstruction which is in many respects close to the policies put forward by the Socialists, and is certainly far ahead of anything that has been promised or could be expected from the old-order parties.

Outstanding demands made in the program were for outright abolition of monopolies and cartels, national planning for full employment, continued public operation when the war is over of plants now owned and operated by the government, extended slum clearance and housing programs, free health services, a national minimum wage of \$1,500 a year, an immediate post-war 40-hour week as the first step to a 30-hour week, and a guaranteed two weeks holiday with pay every year.

The program statement declared, "it is regrettable that people are living in fear of the post-war world because of the failure of governments to announce any practical plans for meeting the impact from war to peace, and thinking always in terms of scarcity when our governments possess the power to initiate the necessary legislation that will assure them of a freer and fuller life and remove all their fears."

Specific Proposals

Detailed recommendations in the program which was passed by the Trades and Labor Congress included the following:

- (1) Legislation to implement the proposals of the I.L.O. for improved labor standards, social security and economic advancement.
- (2) A guaranteed national minimum wage of \$1,500 a year.
- (3) A 40-hour week in all branches of industry, "with the ultimate adoption of the six-hour day and five-day work week."
- (4) Health insurance, including full compensation during illness, "so that every person can avail themselves of medical and surgical treatment freely without expense or loss of earning power."
- (5) Two weeks holiday with pay, and with transportation provided at cost to health and natural recreation centres.
- (6) Action in each province to raise the school leaving age to at least 16; opportunities for free education up to and including university.
- (7) Old age pensions, adequate for decency and comfort, at age 60.

- (8) Extension of the National Housing Act, with removal of financial machinery from the banks and mortgage companies, all loans to be made directly through a government agency such as the Bank of Canada.
- (9) A federally financed national slum clearance program.
- (10) Co-operation between labor, veterans' organizations and the government to ensure jobs for returning service personnel without throwing others out of work.
- (11) Establishment by the federal government of a National Planning Commission for full employment, with equal labour representation.
- (12) National legislation "to dissolve all monopolies or cartels holding controls over any or all materials or processes that control our means of life or employment opportunities."
- (13) A national program of large-scale public works, including the St. Lawrence Waterway project, hospital building and highway development.
- (14) Increase of unemployment insurance payments to at least two-thirds of the worker's wages for a period of 26 weeks.
- (15) Co-operation between Congress members and officers in advancing labour's interests.
- (16) Long-term loans for rehabilitation of nations devastated by the war.
- (17) Continued government operation after the war, under a joint labour-management committee, of government-owned war plants wherever possible. Where that is not possible, plants to be sold under guarantees that they will continue in operation. "Under no conditions shall the government sell crown properties to monopolies or corporations which may desire to close such plants in order to strengthen their monopolistic hold in the given industry."
- (18) Full co-operation between all classes for post-war full employment.

From the 26th session of the I.L.O. and from the programs of these two great labor bodies, the C.C.L. and the T.L.C., comes further proof of labor's coming of age.

Ernest Bevin said: "At one time governments had regarded unions as having a limited function and seldom considered them as more than deputations. But a change came. Government brought the unions into a measure of participation which has altered the whole course of the war effort—indeed of our national history."

The Right to Work

An opportunity to work for a living does not, of course, mean work for work's sake. It means rather that insofar as work is essential to the attainment of the necessities and luxuries of life, each individual shall have his share of work to do. It means that technology, which has been thwarted in its greatest achievement by the profit motive of monopolistic concerns, shall be made to yield increased incomes, and more hours of leisure, in keeping with the increased production which it promotes.

Up to this time, technological advance has been responsible, not only for continuing the unemployed problem, but also for adding greatly to its complexity. It is the essential contribution of technology that it increases the productive power of each man-hour. Unless there is therefore a corresponding increase in distribution, one of two things happens: Either technology must be curtailed in its ambitious advance, thus making poverty inevitable to every one, or else it must be left free to pursue its course, thereby vastly increasing the number of unemployed and spreading dire poverty among those who can live only if they get work. It was the former course that was followed largely during the great depression. Authentic evidence presented at the scientific inquiry in the United States of America in 1935 carried on by the National Survey of Potential Product Capacity (N.S.P.P.C.) showed that increase of productivity per worker over a period of sixty years had been 350 per cent; that nearly 300 billion dollars worth of consumers' goods, more than was produced from 1929-1935, could and should have been produced; and that such a national income could have provided \$5,000 a year for every family in the U.S.A. Instead of this happy event, however, the great American nation found itself with 10 million unemployed, want and starvation on every street, while science and technology took an enforced holiday along with the workers.

Canadian industry tells a similar story. Although the Canadian government has never had the foresight to initiate an enquiry of the character and extent of that carried on by the N.S.P.P.C. in America, every known fact points to similar conclusions here. In this respect, Canadians are left in the same dark room in which its government resides. It is not given to us to know how much more we could have produced in 1938 than we did produce; nor, how much more we produced than could be distributed under the accepted system; nor are we permitted to know the total capacity production of the nation at any time.

Perhaps it is thought that such detailed knowledge would inspire Canadians to demand capacity production and total distribution. At any rate, we do know, that in 1933 when unemployment was at its worst our total national income was \$2,700,000,000, while in 1943 it was \$9,000,000,000. With that knowledge it is safe to assume that Canadian industry was far from achieving capacity production during the dark and hungry years of the long depression. Canadian workers, therefore, not only want a "job," or a chance to do their share in producing the essentials of life; they also want capacity production in which natural resources, plant equipment, labor power, and technology are all used to the utmost extent. There are only two possible limits to the production demanded by organized labor: Production to the limit of potential physical capacity of resources, plant equipment, technology and man-power; or should production exceed the capacity of all the people to consume, production might then be limited to our current needs and wants.

A Share in Management

Labor is also demanding a share in shaping industrial policy, and an opportunity to co-operate in the management of the industries to which

their lives are given, whether given by degrees throughout a life-time or given more suddenly as one of the innumerable casualties of our producing system. Participation of Labor in the determining of economic policy and in management is indispensable if recognition is to be given to those democratic principles for which so many millions of the world's youth have died in this great war. Suffice it to say here that unless the workers in industry are permitted to share in policy making and in management, there can be no basic democracy and there can be no true liberty. Such participation in management must be real to be effective in giving expression to the creative powers of the workers. A mere sham of participation in which the worker is permitted to offer his ideas to the Boss, who may or may not consider such ideas, will not do. Neither is it satisfactory for the worker to peddle his constructive ideas to the boss for a consideration as he now peddles his physical labor power. Workers must be permitted to share the responsibility, not only of managing their particular industry, but in planning the policy of industry at large so that their particular industry may "fit in" with the over-all industrial policy they have helped to formulate. That is what real democracy demands; that is essential to the fullest development of personality. Without this wider field of expression the individual worker tends to become a part of the mechanism which he operates daily.

Labor's Ultimate Goal

Labor people not only want to produce to the utmost physical capacity; they want to use that production for the purposes of life. They want reasonable assurance of security.

They want sufficient income so that all of the people will be able to buy all the goods produced, so that the sick and the crippled, the blind and the weak, the victims of accident and occupational disease as well as all people over 60 years of age shall have an income sufficient to maintain an accepted living standard.

They want a standard of living which knows no limits, except that already mentioned, namely, the physical limits of production possibilities.

They would include ample nutritious food to maintain a healthy body; sufficient clothing for decency and comfort; a modern home for every family; free health services within reach of every community; equality of opportunity for every child to obtain an education; and individual freedom to speak one's thoughts, to organize for the promotion of the common welfare, and to worship in accordance with their beliefs and desires.

These are a summary of the expressed desires of organized Labor, and are also a recapitulation of what socialism means to the common man. More and more, its principles are seen to be essential to organized Labor in the attainment of its objectives. The underlying principles of socialism as above sketched are the basis of accepted Labor policy. Political power, gained through the proper use of the franchise, is the only means of applying those principles to society.

This brings us then, to the second question—What can organized Labor do to further the cause of Socialism which is so closely identified with the age-old cause of Labor?

In answering this question it would seem that Labor must sooner or later abandon the practice of voting for the economic system which makes the achievement of its highest aims unattainable. What could be more pathetic than to witness a labor union's refusal to discuss an issue which might be called political? And what could better illustrate the effectiveness of propaganda on the public mind than the absurd idea that it is "proper" for a labor union to discuss unemployment or a wage scale, or to decide to go on strike; but that it is not proper for a labor union to take political action which would remove these problems from the scene entirely? What can be said for a Labor union which, having organized to protect its jobs, its wage scale and its conditions of work, proceeds to elect the political servants of capitalism to parliament? One act of parliament passed under the influence of industrialists can nullify, in a few hours, all the advance made by Labor unions in a century. Labor's role in politics is therefore as important as its industrial activities.

Politics Cannot Be Ignored

"The lives of all of us depend upon politics."

—ROBERT BRIFFAULT.

In this day of enlightenment, it is surely unnecessary to defend the position that it is not possible to separate political and industrial activity in the life and experience of a democratic citizen. An act of parliament, which is a political act, can fix wages at any level; it can forbid labor organization, or it can make strikes illegal. All these things have been done at one time or another, in Canada. True, these things have not been done in the blunt straightforward manner in which they have been stated here. But legislation which declares the liberty to organize, to bargain, and to strike can be so hedged with restrictions as to make it practically impossible to exercise these liberties in any effective way. In other words, political action can be effective in rendering industrial action ineffective. Therefore organized Labor cannot afford to ignore politics.

This is not to suggest that industrial action should be neglected while injustice prevails. Rather it means that industrial and political action are to Labor what wings are to a bird. If a swallow folded one wing and went flapping around with the other, it would be going around in a circle and would never get away from the advancing cold of the north land to a warmer southern clime. Similarly, as long as Labor folds its political wing it will be flapping around the circle of the iron law of wages and will never arrive at the abundance which science and technology have made possible.

The Necessity for Political Action

Every country must have a government. Every government reflects in its policy the accepted economic system. No industrial organization will be permitted to take a course which would jeopardize the accepted system.

On the other hand, what Canadian Labor demands through its industrial organization is not possible of achievement under the economic system we now have. So to reach its objectives the system must be changed. And to change the system political power is indispensable. Therefore, what organized Labor can do to further socialism is to enter the political field boldly for a fundamental change in our economic setup. Just as capitalists have given their money and effort to build up political parties to make their position secure, so Labor must devote itself to the building up of a socialist party to establish beyond doubt the economic security of the masses.

There is no such thing as being "out of politics." It would be a blessing if those who are foolish enough to believe that they can be "out of politics" were "out" on election day. The trouble is that those who declare themselves "out of politics" put themselves very much into politics by that very declaration.

Whenever a vital issue is ruled out of order in a labor union because it is "political," then that union is playing politics and has become as active a political factor as if the union concerned had openly joined the Liberal or Conservative party. For it pleases capitalist political parties when labor unions refuse to take political action just as it pleases the employer when workers in a factory refuse to organize.

All the arguments why workers should join a union are equally valid when applied to politics. In fact every vital matter is political. It is quite as much political when a labor union votes to go on strike as it would be for that same union to vote support to a socialist party. Because every act which affects the community is political.

When a union says it is going to keep out of politics it is like a man saying he is going to keep out of the air, and thereafter keeps to his bedroom. If he really succeeded in keeping out of the air he would soon be out of life. Any labor body which succeeds in keeping out of politics will have succeeded in keeping out of everything that is vital, and it will also perish.

If the economic principles adopted by a union are worthy of being supported by a strike they should be worthy of an equally united support by the same men at the ballot box.

Socialism and the Farmer

"Peace unplanned could be a disaster worse than war, wrecking agriculture, business, and labor, throughout the entire world and producing revolution and misery among the millions."

—HENRY WALLACE.

Political unity between farmers and industrial workers is essential in countries like Canada and the United States, where agriculture and the size of the farming population play such an important role in the life of the country.

The future of democratic progress depends to a large extent on this unity. This unity must also embrace the urban middle class, for these three are inter-dependent. Yet division between country and city still exists, and the old line parties are doing all they can to widen the gulf.

We know the defenders of the status quo thrive on playing up the idea that the farmer is a rugged individualist—a capitalist no less. This is a psychological strategy aimed at preventing the farmer from coming to some understanding with labor.

Canadian agriculture has almost no "Capitalist" farmers, and relatively few agricultural workers. Canada's farms are worked, for the most part, by the farm families themselves. This does not imply that all farm operators own their farms, clear of debt. On the contrary, a substantial proportion of Canada's farms are heavily mortgaged and tenancy has increased.

Canada's farmers get out of the land what they and their families put into it with their own labor. There are no large agricultural land-owners in Canada, with the exception of the mortgage companies and insurance companies that have acquired farms through foreclosures during the Hungry Thirties.

Farmers in the past have been notorious for their individualism.

Individualism has been encouraged by the farmer's environment. This has been particularly true in Canada with its vast areas and the isolation of each particular farm unit.

The worker in a factory can see ten thousand of his fellows working with him in the same building producing the same article. He associates with them every hour of the working day and meets them in his industrial union.

The farmer works alone from dawn till dark. His home is a mile or two from his next neighbor in many instances. And although there are tens of thousands working with him too in the production of grain and live stock, he cannot see them as the factory worker does. It is practically impossible to enumerate the workers who assist the individual farmer as he drives his tractor down the field. All those workers who built his tractor, all who produced the iron and coal which made the steel of which it was built, all the workers who sweated in the foundries, the workers who produced and refined the oil and gasoline used in driving it; the hundreds of thousands who run the railway system which delivered that tractor to his home town: they all have helped to do his ploughing, drilling,

reaping and threshing. And what an army of them! But their contribution to the production of farm products has been obscured by the more immediate experiences, so that in the past at least farmers have been noted for their individualism and even praised for it by those who were only too glad to find such support and to use the farmer's attachment to individualism as a prop to help sustain the collapsing structure of capitalism.

Are Farmers Capitalists?

There are farmers who think of themselves as capitalists, and the daily press has given much space trying to prove that they are. Some farmers may have believed it.

But there are better tests than press propaganda to prove whether or not farmers are capitalists. Their "capitalism" is a delusion. It not only pays no dividends, but is a thing of progressive impoverishment. It is true that just as an individual mechanic like Mr. Henry Ford—one man out of all the millions of American working men—became a multi-millionaire, so here and there it is possible to find a farmer who, having secured vast tracts of good land, has done well for himself as farming goes. One in thousands may even have accumulated fifty or even a hundred thousand dollars.

On the other hand it is a far more impressive fact, and one which is a truer indication of the status of agriculture that about 80 per cent of farmers do not enjoy a living standard adequate for a full life and a large percentage of that number are as poor, as badly housed, as badly fed, clothed and educated as the great body of wage workers who exist at subsistence level.

It takes more than the nominal ownership of a quarter or half section of land which is mortgaged for more than it is worth, in times of depression, to make a real capitalist. No person can carry on a business, farming or any other sort, as a capitalist, unless he can either control his costs in relation to his selling price or else have the power to alter the price of his product in relation to cost. Big business proper can do both. Farmers can do neither.

The profits of farming, unfortunately for the farmers, do not depend on their individual efforts. The cost of a bushel of wheat depends to a very large extent on the interest charges on the mortgage, the price of the machinery used in cultivating and reaping; the price of all supplies that have to be obtained in order to carry on the operation, the cost of hauling it to the elevator which depends on the distance from the shipping point. The interest rate is decided by bankers and mortgage companies; the price of farm machinery and other necessary supplies is set by industrial monopolies, assisted by special tariff privileges; the cost of hauling, to the individual farmer, is determined by the railroad survey, by the real estate sharks who drove some farmers back into the hinterlands, by the prices of trucks and gasoline, and by the freight rates fixed by the railway commission.

Then, on top of all this, the average yield per acre is affected not only by the competence of the farmer, but by the fertility of the soil, the climatic conditions, as well as numerous pests.

Added together, all these factors in the cost of producing a bushel of wheat, which factors are beyond the control of any farmer in Canada, or the United States, constitute a staggering blow to those who may imagine that they are capitalists.

Farmer Cannot Set His Own Prices

Of course, if the farmer were in a position to add all costs plus a profit to the selling price of his products it would be a different story. This has never been his privilege. No farmer in Canada can price anything he produces. He can't put a price on a bushel of wheat, a dozen of eggs, a hundred weight of hayseed, a pound of meat or a sack of potatoes.

Just as big business fixed all the farmer's costs, so do they also determine his prices. Grain gamblers have fixed the price of grain; packing plants have fixed the prices of live stock, poultry, eggs and dairy products.

In time of war, the farmer has a market for his crops and fair prices. In many cases he is able to pay off old debts, repair his home and in general enjoy a breathing spell between depressions. But let us see what our "capitalist" friend looked like, and how he fared, during the lean years.

According to the briefs presented by the governments of Manitoba, Saskatchewan and Alberta in 1937, the mortgage debt on Manitoba farms was \$92,737,544. The total agricultural debt of Saskatchewan was put at \$482,000,000 or about \$15.00 of debt on every acre in crop. Alberta's agricultural debt stood at \$395,000,000, or \$25.00 for every acre in crop.

With such a debt burden the growing tendency toward tenancy in the past could be easily understood. In Saskatchewan in 1901 only 1.6% of the farms were occupied by tenants. In 1936 tenancy had grown to 20.4% of all farms in operation. The same marked trend was apparent in Manitoba and in Alberta.

Who took the farms away from the farmers? About one-quarter of the farms of the prairies had already been taken away by mortgage companies. It must be admitted that during the war years the mortgage companies have sold some of these farms to the tenants. If bad markets recur undoubtedly many of these farms will again revert to the mortgage companies. Agriculture in Canada was rapidly passing out of the hands of small holders. Had that tendency continued it is not beyond the range of possibility that fifteen years from now the great bulk of Canadian individual farms would have become the property of mortgage companies. These companies would then have organized farming on a purely industrial basis. Farms would have become large industrialized units not owned and operated by the farmers, but owned by large companies who would have hired farmers as they hire miners and factory workers today.

The debt burden was already a fact and the marked growth in the numbers of tenant farmers was also a fact.

This picture of tenancy as well as the disappearance of the individual freeholder was a true picture of farm conditions up to 1939. Should there be any recurrence, however, of low prices after the war, the old tendency would be certain to return.

The unhealthy condition of the agricultural industry naturally reflected itself in the homes of the rural population and in the lack of modern conveniences and of opportunity for their children to obtain higher education. According to the Bureau of Statistics only four out of every one hundred farms in three of the provinces had bathroom facilities; and in the other provinces about eight out of every hundred had baths; less than two out of every hundred farms had running water in the kitchen, and there were fewer farm homes with telephones in 1941 than in 1931.

Bad as we have seen housing to be in the cities, conditions in this respect were even worse on the farms. According to the 1941 census statistics, in Nova Scotia and Prince Edward Island over one-quarter of all farm houses needed repair; one-third of all farm houses in Ontario and British Columbia needed repairing while nearly half of the farm homes in Quebec, Manitoba, Alberta, New Brunswick and Saskatchewan were in the same condition.

Cold as Canada's winters are, and necessary as it is to have furnaces for comfort and health, only a very small percentage of farm houses in Canada have furnaces. Prince Edward Island is the lowest with seven per cent, Ontario the highest with over sixteen per cent, while all the other provinces come somewhere in between.

Who would care to dispute the fact that the great majority of farmers need and want these essentials of life; that they have worked hard enough and earned enough to have had all these things long ago? But they have not got them. Space does not permit a survey of every aspect of rural life. But a comment on the rural school and the lack of opportunity provided for rural children to obtain an education may serve as illustrative of the economic position of agriculture under the present system.

Hundreds and thousands of rural school buildings are in such a condition as to be a disgrace to any community desirous of attaching to itself the term democratic. Many of our country schools were ramshackle from the first. They were never built properly. Now they are down at the heel, ugly, uncomfortable and entirely unequipped. They may be seen with doors askew, windows stuffed with paper and rags where the pane has been broken, make-shift seats of the crudest form standing on floors, the joints of which are gaping open and filled with dirt. Most of the rural schools are improperly heated and are uncomfortable and unhealthy.

All that is necessary to be done in order to reveal the state of education of farm children is to compare the average rural school with the royal suites used as offices for the executives of the Grain Exchange, a packing plant magnate or a brewery owner. Children are impressed as much by the school building and its environs as they are by the teachers and the lessons. The first impressions created on the child by the ugliness and discomfort of the common rural school may take long and patient tuition to eradicate.

Such schools are not attractive to teachers either, and when the salaries paid to rural teachers are considered along with other inconveniences is it any wonder that the best teachers are seldom to be found in country schools?

The Financial Post recently quoted figures in respect to teachers' salaries. It said that there were over 17,000 Canadian teachers who did not receive more than \$537 a year. The Post compared this with the \$536.55 which it costs the community to maintain a criminal in the penitentiary for a year. Thus each of over 1700 Canadian teachers receive only 45 cents a year more for teaching the future generation of Canadian citizens than is paid to punish a criminal for one year. Most of these underpaid teachers, perhaps all of them, would be found in country schools.

If the rural public school is bad, the problem of high school is still worse. Indeed there are very few rural high schools. Farmers' children do well if they finish the 8th grade. When it comes to high school and university then only a very small fraction of rural children can expect to gain a grade 12 standing, while those who go to university are a mere trickle from the torrent of children who enter rural public schools. Most farmers, in order to give their children a high school education must send them to some town or city. This implies transportation costs, tuition fees, room and board, and is an expense which not one farmer in a hundred can afford from the meagre income allowed him by the system under which he has to live.

Co-operation: The Better Way

"Consumer co-operation is one of the world's most peaceful, most constructive economic reform movements." —NEW YORK TIMES.

Socialists are not alone in their conviction that there is an alternative to the competitiveness and aggressiveness that is tearing our world apart. Religious leaders, philosophers, sociologists and scientists, as well as untold millions of everyday folk, are convinced that Co-operation is the better way. A few years ago, the famous scientist-explorer Vilhjalmur Stefansson summarized their fundamental viewpoint in the following words:

"It is easier to feel that you can understand than to prove that you do understand why it is man gets more happiness out of living unselfishly under a system which rewards unselfishness than from living selfishly where selfishness is rewarded. Man is more fundamentally a co-operative animal than a competitive animal. His survival as a species has been perhaps through mutual aid rather than through rugged individualism. And somehow it has been ground into us by the forces of evolution to be 'instinctively' happiest over those things which in the long run yield the greatest good to the greatest number. . . . Perhaps we could live as happily in a metropolis as in a fishing village if only we could substitute the ideals of co-operation for those of competition. For it does not seem to be inherent in 'progress' that it shall be an enemy to the good life."

The co-operative idea has gained a lot of ground throughout the world. December 21, 1944, marked the hundredth anniversary of the founding of the Consumers Co-operative movement, founded by the Rochdale Pioneers in England. Today this movement is world-wide in scope, has more than a hundred million members. Over two and half million families are participants of the co-op movement in the United States.

The key idea back of this great movement is production for use, service at cost instead of "all the market can bear." Co-operators practice the principles of economic democracy and their ultimate ideal is co-operative government. They hold that large profits come at the expense of human values—and that since producers, workers and consumers create the profits, all of them should share in the values they have created.

Co-op stores sell for cash at market prices. Any amount above the cost of doing business is returned to the purchaser at the end of the year on the basis of the amount of his purchases during that year. Each member of a co-operative has one vote—and only one—in electing its directors and in deciding all other matters. Anyone may buy at a co-operative, and anyone may join. All co-operative organizations believe in, and practice, fair treatment of labor.

The total annual volume of business now done by American co-ops has risen to a peak of 3½ billion and represents an 80% increase since 1939.

In Canada a tremendous Farmers Co-operative movement has come into existence. We have not in Canada farm forces like the Farm Bureau of the United States, which represents the large owning class and is passionately interested in maintaining a system of privilege.

The result has been that in Canada almost every farm organization is basically progressive and in particular is this true of the Co-operative Movement. Their own demands have usually been desirable not only for the groups they represent, but also for the community as a whole.

Co-operatives have seldom, if ever, shown any animosity toward labor and have often shown sympathy and given moral support for its aspirations.

As a matter of fact, when it comes to education, both in youth training and adult education, the Co-operatives and Canada's farm organizations have shown greater interest and activity than labor unions.

It is historically correct to say that in Canada at least the farmers have, on the whole, been a progressive force socially and politically.

A "quick picture" of Canada's Co-op movement shows that telephone societies head the list of Canadian Co-operatives, numerically speaking, according to a survey published recently by the Dominion Department of Agriculture, based on reports for the fiscal year 1942-43. There were 2,387 of these telephone societies; 1,780 credit unions; 400 farmers' mutual insurance co-ops; 446 dairy co-operatives; 518 dealing in food products; 500 in petroleum and auto accessories; 625 in feed and fertilizer; 413 in coal, wood and building materials; 229 in clothing and home furnishings; 225 in livestock; 161 in fruits and vegetables; 105 in grain and seed; 194 in poultry; 125 in machinery; 67 in fishermen's supplies; 60 in hospital care; 535 in miscellaneous merchandising; 6 in honey; and 14 in miscellaneous marketing.

Reactionary Forces Attack Co-ops

But reaction in Canada is not satisfied to allow Co-operatives to exist. A movement was started by so-called taxpayers to force the government to tax Co-operatives. For, they say, Co-ops force private business out of existence. They see no difference between corporations and co-operatives. It is interesting to see whether or not there is a difference.

What are the facts? In his brief to the Royal Commission investigating Co-operatives, J. T. Hull, the veteran farm leader and brilliant exponent of co-operation, offers these revealing contrasts:

A Co-operative

1. Is a union of persons to supply themselves with goods and services at cost.

2. Shares are identified by persons; the shareholder must be admitted to membership or transfers must be approved by the board of directors.

3. There is no limit to the number of persons who may participate in the business within its range of operations; i.e. the number of shares is not limited.

4. Every shareholder must be a member, thus the shares are not limited and cannot exceed par value.

5. A member has one vote and no more regardless of the number of shares he may hold.

6. Surplus belongs to the members, i.e. the customers.

7. Surplus is divided among the members in proportion to the amount of business each does with the society, except where a limited interest on capital is paid.

8. Fixed maximum rate set for dividends on share capital; in some societies no dividend paid on capital.

9. The co-operative is organized to do business with its members; buyers and sellers constitute one body and are identical.

10. The selling price is an arbitrary figure containing a margin of business safety above cost and the surplus constitutes an excess charge, or in the case of a marketing co-operative an underpayment.

11. The business is organized and conducted as a mutual service for the benefit of the members and not for the benefit of the co-operative as a legal entity.

A Joint Stock Corporation

1. Is a union of capital as an investment to earn a profit.

2. Shareholding is anonymous, that is, shares are freely transferable and may be held by anyone.

3. Is limited (as a general proposition) in the number of persons owning the business; i.e., the shares are limited in number.

4. The shares being limited in number they will fluctuate in value according to the profits they earn.

5. Control by the individual is determined by the number of shares he holds.

6. Surplus earnings, i.e. profits, are the property of the corporation.

7. Surplus is divided among the shareholders on the basis of the number of shares held.

8. No limit to the dividend paid on share capital.

9. The joint stock company does business in a general way with the public; the buyers and the sellers (the parties to the business transactions) are distinct and different.

10. The selling price is normally above cost price and the surplus constitutes a trading profit.

11. Business is done for the express purpose of realizing the trading profit which becomes the property of the corporation.

It is plain to see, from this comparison, that co-operatives are a step in the right direction. It is necessary for the farmer to realize, however, that to market his grain cheaply through his farmers' co-op with the greatest return to him personally is not enough.

Co-operation must become a way of life, both for the people on the farm and for the urban dweller.

Under our present system, the co-operative movement is threatened from every direction, just like the trade union movement will no doubt be, when the war is over. The thing that is keeping provincial governments of the old ilk from smashing co-ops is that farmers thus organized present a tremendous voting block in the community.

But, as briefs presented to the Royal Commission investigating Co-operatives have indicated, a movement is on foot to try to knock the props from under the foundation of the co-operative movement.

Farmers should now realize that only people's governments would guarantee the continuation of favorable circumstances under which co-operatives, like labor unions, are encouraged to grow and expand—not by individuals alone—but by the state in particular.

The ultimate in co-operation is socialism.

True Individualism Realized Through Socialism

Socialism, which is the application of a just and democratic principle, can do much for farmers. Its policy would be dynamic and progressive.

Socialism is more than the mechanism which unifies the collective effort for the highest collective good. It is a way of life in which each individual may find ample opportunity to develop his individuality. So that what Socialism will mean to farmers as to other people will depend on to what extent and with what skill this new way of life is lived by the people concerned.

For Socialism is not something that some one is going to do to us. It is something that we are going to do for ourselves. Socialism is the only way in which each individual farmer can get what he needs and wants. As an individual he cannot get what he needs or wants by himself.

The events of modern history have reversed the philosophy of individualism. It used to be believed that if each individual is left on his own to do what he likes, the result will be the highest social good. Now it has to be said that if organized society moves in the direction of the social welfare it is bound to arrive at that point where the most complete life is possible for all individuals.

We have seen in practical experience that it is possible for a few individuals to do very well for themselves in a capitalist society, and that in consequence the great mass of individuals do badly. The philosophy of individualism has come to mean that most of Canada's eleven million individuals must lose part of their income, much or all of their liberty, and their individuality, in order to protect the "individualism" of a handful of their fellows.

Socialism on the contrary is a way of life in which the rights, liberties, and fullest life of every individual is protected and safeguarded by society—

e.g. all of us together. In other words, it is only through socialism that the individual can reach the best for himself and for the community as a whole.

The essential things which are desired by socialism are of course those things which every individual needs or wants. The normal individual wants to get married, have children and a home of his own; he wants a measure of security, of comfort and leisure; and he wants the fullest use of his powers and opportunities for self-expression and development.

These are the essential needs of an individual. It may therefore be taken as a safe and proper collective purpose. Our present society has taught us that we can achieve more of what each individual needs and wants by working together in a social effort than is possible for an individual working alone.

Needed Reforms for Farmers

What then are some of the things which farmers could expect were they to accept and apply socialist principles?

As things are now, the farmers get what is left when the captains of industry and the kings of finance have departed with their legal profits. When interest charges, freight rates, machine company collections, operational costs and taxes have all been paid the farmers get what is left, which is sometimes little, sometimes nothing at all, and often a deficit.

Here, in summary, are some of the measures which would be taken by a people's government to solve the immediate problems of the farmers. In the transition period it would be necessary to protect the farmer's equity, to prevent foreclosure on his land, which in reality means his home as well as the implements necessary in the performance of his work. Prices for farm products sufficiently high to ensure that farmers would obtain their share of the national income would have to be guaranteed. Services for rural community living, including housing, electrification, health and education which all people need should and can have in our time.

Here is how. Democratic ownership of banking and credit will provide the use of money to farmers at cost. This will reduce their interest charges and correspondingly increase their income. Democratic ownership of the railways will give transportation at cost, thus increasing farmers' income by the difference between present freight rates and service costs. Democratic ownership of the processing plants such as packing plants and flour mills will give the farmer the full benefit of their productive efforts. The democratic ownership and operation of farm machinery production; the saving from the bone-yard of capitalism the \$800,000,000 worth of public capital invested in war plants and the conversion of these plants to the making of farm machines and other useful things such as refrigerators, sewing machines, vacuum cleaners, etc.; the establishment of co-operative enterprises in marketing, in distribution of supplies and in production. These are samples of the economic policy which a socialist society would initiate and encourage.

It will be clear to every farmer that there must be sound economic policy at the base of anticipated prosperity. Capitalism has failed the farmer miserably too often. Economic democracy alone can provide that measure of prosperity which farmers expect.

Some of the sources of increased income for farmers would include savings made in interest now paid to banks and mortgage companies; also profits now being paid to manufacturers who charge monopoly prices for farm supplies. These sources, however, would provide only the small change of the benefits. The greater source of increased income would represent all the increased production of a co-operative system. It would be the difference between the output sufficient to meet the effective demand of a profit market, and that of an output limited only by the physical capacity of the producing system. Under a democratic economy, all the faucets of waste would be turned off, and the standard of living would rise to the limit of the physical capacity of the community to produce wealth.

Co-operative Farming

There simply cannot be efficiency of production in an industry which fails to take the fullest advantage of the increase in output due to association.

This may be illustrated. Here are two farmers who go out to put up hay separately. Each has a team, a hayrack and a fork. Each one manages his team, pitches on a little hay, then climbs up to build it on the hayrack. After repeating this many times until the load is on, he drives his load to the hay loft or to the stack as the case may be. If to the latter, he must pitch off part of his load, then jump on to the stack and build it, and keep on repeating the performance. At the close of the day these men, we shall say, have put up three loads of hay each, and they are very tired indeed. But next day suppose they go together and they leave one team in the barn. One drives the team and loads, the other pitches. It will be found at the end of that day that they have put up one-third more hay working together than they did working separately and that they had more fun doing it and were not nearly as tired. If it be true that only two men working together can do more work than it is possible for the same two men to do working separately, the enormity of the increase in production can be imagined when all the farmers in a district co-operate together for capacity output such as is done in a factory.

The increased production through co-operation or democratic collectivism is only one phase of the benefits to be derived from that practice. Here again, is a true picture of a farming community. There are in this community one hundred farmers. They are engaged in mixed farming. Each farmer works as if he were the only person in the whole world. Each one raises grain, cattle and hogs. Each one has a well from 200 to 500 feet deep. There is a pump on each well. There is an engine on each pump. Every morning at 5 o'clock 100 farmers start up 100 engines on 100 pumps to pump water to their cattle and hogs. But one engine, one pump and one well could pump enough water to drown every cow and every hog owned by all

of the farmers. That means that there are 99 wells, 99 pumps, 99 engines which are unnecessary and represent excess capital. The same is true of farming generally.

Farming is being done in the main by machinery, but has never been organized so as to make the most economical use of machinery. Agriculture is still carrying on with the individual farm unit much as was done in the days of the spade, the sickle and the flail.

What would have happened, if, when machines were devised for making shoes, all the cobblers had refused—as they did for a time—to go into factories, and had tried to establish a shoe factory apiece in their kitchens at home? If that had been done, without a doubt much of the advantage of machine production would have been lost. Each individual cobbler would have had a capital investment far greater than his output would justify or could bear. And besides all the advantages of specialization made possible by many workers, associated for production would have been lost.

It hardly needs to be pointed out that individualism in farming today makes it practically impossible ever to raise rural living standards to that level which it is possible in an industrial community. For example, it may not be possible to have a high school within reach of 100 farm families scattered in individual units over a vast territory. But if they lived in one town or centre from which they operated their farms co-operatively they could have their high school, their church, their theatre, their community recreation centre, their power, their machine shop and their co-operative store to supply their needs.

In addition, they could organize their co-operative farm unit so that they could have the man who was best fitted for a certain job doing it. Farmers complain that they have to work 16 hours a day, that they have no leisure. No wonder. How could it be otherwise? There is no need for such slavery. The thing that stands between the farmer and an 8-hour day and some leisure is the hard shell of his own individualism. He must learn to co-operate with his fellows in production. Then he can make the machines do most of his work. If machines were worked 24 hours a day, in three shifts, it would give each farmer 16 hours a day to rest and sleep, and still produce more per man than by working individually.

This matter of co-operative farming will have to be faced seriously sooner or later. The farmer rightly demands parity prices. In the last analysis this means that he wants to exchange his product for another product embodying an equivalent amount of social labor power. If this demand for parity is to be met there will have to be parity in farm production efficiency too. Perhaps the Canadian farmer, and the American, as an individual is the most efficient person on earth. He has to be—or his very existence would be impossible. But the point is: individualism can never be efficient in a social world.

Obstacles to be Overcome

Farmers want rural electrification. They should have electric power on every farm. But, practically speaking, this is a virtual impossibility while farmers are scattered over a territory like Saskatchewan and Alberta.

The cost of transmission and of installation and servicing would be prohibitive under present circumstances. Since it has proved to be uneconomic for private power lines to supply individual farmers with power, it would be equally uneconomic for farmers to supply themselves if they owned the dam in the river and the whole power plant.

If the socialist principle were applied to agriculture there is little doubt that co-operative farms would be set up. Socialism, however, is democratic in its methods as well as in its objectives. A peoples' government should establish experimental co-operative farms so that farmers might be able to see the advantages which their individualism prohibits them from enjoying.

But a socialist government would not compel farmers to join co-operative farms.

Some farmers who have never yet really owned the land they farm allow themselves to be convinced by propaganda that socialism would take away their farms and would compel collectivization. On the contrary, socialism will restore to the farmers the land which capitalism has already taken from them and will use educational and democratic means of introducing the co-operative idea into agricultural production.

Incidentally, it is of interest to note what is now taking place in England, under a Tory government, in respect to the farmers. Here are the words of Britain's Minister of Agriculture as reported by the Canadian Press: "We have committees in our counties which inspect the farms and farming methods. If this committee finds that a farmer is not farming properly it warns the man that if he does not mend his ways he will be dispossessed. We have already dispossessed some 7,000 land-owners. The land will be farmed under government direction. Under this direction production of food in Britain has increased 100 per cent."

Land is scarce in Britain. Inefficiency in production on the farms, especially in war time, threatens the existence of the population. In such a crisis, the priority of public interest over the rights of private ownership could not be denied. Hence the Minister's action.

Our population in Canada is very small in relation to our land resources. It is not the population at large that suffers through the individualism of farmers. It is the farmers themselves who pay the price in long hours, low living standards and insecurity. "Rugged individualism" is the negation of democracy. Socialism, being democracy in its highest form, will strive to lead rather than drive farmers from their individualism to production methods which will give greater returns, shorter hours, and through co-operation will raise the rural standard of living much above what it is now.

It would be foolish and dangerous to ignore the fact that there are real divisions between town and country. These are the differences which stem from wide differences in habits of living and thinking. For example, it is hard for the worker not to take on an attitude of wordly superiority.

Thinking in terms of wages, the farmer may feel that higher wages for city workers will increase the cost of manufactured items he needs on the farm. Most farmers, however, have come to realize that well-paid city workers represent an ideal market, as adequate living wages enable the worker's family to allot a larger portion of its budget for more food and other farm produce. Full employment at good wages for city workers means a steady and assured income for farmers, and in times of depression both suffer the heaviest part of the burden.

In the early days of capitalist development, the interest of the farmer was for free world trade, and the city worker desired a protected home industry.

The greatest barrier always has been the suspicion and fear the farmer has always harbored towards the strong bargaining position of organized labor, and the historically dynamic role of the industrial worker.

These are the differences—yet they are insignificant when one considers the vast community of interests between workers and farmers.

The farmer cannot dispose of his farm crops, nor the worker the goods he produces, unless both have sufficient purchasing power.

No part of our economy can function properly when other parts are on the downgrade, and one section cannot continue to live prosperously while the other lives in poverty.

Depressions do not single out one or the other; they hit both. As a matter of fact during the Hungry Thirties the part of agricultural industry that depends on export markets was hit the hardest.

Both worker and farmer have been at the mercy of the most brutal economic forces in our society. Their sorrows stem from the same sources, and their protests are directed against the same evils.

Workers and farmers must take joint political action. The division between them is a psychological one. To a great extent it is a difference aggravated by reactionaries for the express purpose of dividing the people. Prejudice dies hard, especially when there are powerful, sinister forces working constantly to keep it alive.

Let us not forget the broken down living quarters, the bedspreads made from sacking, the shabby clothing, the mortgaged homes that were the lot not of the worker alone, but of the farmer too, not so very long ago.

Rural electrification, better housing, schools, hospitals, economic security, all these cannot be attained unless these same human benefits are given equally to all members of society. They can only be had in a well planned economy for use and not for profit.



They Fought for a Better World . . .



. . . But will the Road Back be Built on Broken Promises?



Statesmen Assured us that the "Old Order" is Dead . . .



. . . But is it? It still retains enough vigour to throw monkey wrenches into the machinery of human progress.

Socialism and the Soldier

*Were half the power that fills the world with terror,
Were half the wealth bestowed on camps and courts,
Given to redeem the human mind from error,
There were no need of arsenals or forts.*

—HENRY WADSWORTH LONGFELLOW.

"There is no battle aim worthy of the name except to end all battles."—RALPH INGERSOLL.

Writing in the newspaper PM, the columnist Tom O'Connor says: "It may be taken for granted that what our soldiers fighting this war want most, next to getting it over with and getting home, is a chance to make a decent living when he is a civilian again. And it may be taken for granted that he wants the opportunity to be a permanent one, not just a boom time spree that will leave him selling apples on the street corner when some mysterious thing called the business cycle brings along another depression."

All evidence points to the fact that the old order failed utterly to solve its own major problem of unemployment. It failed for ten years, allowing untold universal misery which finally culminated in World War II. Between the extraordinary demands for war supplies and the absorption by the armed forces of well up to a million men, unemployment in Canada has been temporarily stopped. The all-out need for manpower in modern war also eliminated unemployment in Great Britain, the U.S.A., and many other countries.

These Things Must Be Remembered

A million men seeking work, driven to urgency in their search, not only by their own hunger, but by the pitiful plight of their families; ill-clad men, hungry, cold and hopeless traversed the Dominion in box cars, stealing rides and risking their lives; long lines of them were stretched down the streets of every city where soup kitchens were situated; "jungles" developed in the larger cities where men crawled into old boxes or dugouts like animals seeking shelter in the cold winter nights when the mercury dropped far below the zero mark; men and women could be seen at almost any hour of the day hunting in rubbish heaps and city dumps for a crust; about 1,500,000 Canadians were on "relief." This was a portrait of our society not many years ago.

Millet's "Man With the Hoe" as he is seen through the eyes of Edwin Markham is one of the most humiliating in all art or literature. He had "become a brother to the ox." His spirit had been crushed, and hope had died. He had ceased to feel the poignancy of the struggle, for manhood in him had yielded to circumstance and had died.

These were the same men who later formed the vanguard or spear-head of our defence against Nazism in 1939. Stuart Chase said that of the "first two million men examined by the American army almost one million

were rejected because their physical condition was below army standards." But we have no desire to linger over the tragic scene which might be sketched of the decade before the present war. Yet these things must be remembered. They are the sort of things which we properly should both fear and hate. And that fear and hate of want, and poverty, of disease and frustration, and all they imply should and must be nursed in memory until the desire to live like human beings brings remedial action.

Captain Harper Prowse, representative of the Army in the Alberta legislature, recently expressed with great feeling and moving eloquence what the men overseas are thinking about post-war conditions.

Said Captain Prowse: "I had men in my company who were in the Regina riots, in the Estevan strike and in the Vancouver post office affair. They were among the thousands who were told that there was no money to give them a job. They were sent to camps at twenty cents a day or roamed across the country in box cars looking for work. I don't want to be among those who tell those fellows there is no money to provide them with a job after the war. Just try telling a man who has been behind a mortar for a couple of hours, and has blown \$50,000 worth of shells at the enemy, that there is no money to give him a job! Try telling a fellow who has taken a \$100,000 tank up the line and had it blown from under him with a shell and comes back to get another one, that there's no money!"

How Can the Soldier's Problem Be Solved?

But the problems of our soldiers cannot be solved apart from the economic problems of the people at large. There are, of course, certain special considerations which must be given servicemen. This is readily conceded. But the fact remains that their economic future is bound up with that of the Canadian people as a whole. Our fighting men have faced great danger and infinitely greater discomfort than the civilian population. They have been through hell and many have made the ultimate sacrifice. All that is well known. It is also well known that, in total war, armies in the field would be helpless without the armies of workers on the farms, in factories, and in the mines who produced the sinews of war. And just as our fighting men could not achieve victory without constant help from the people at home, neither can the post-war victory be won either by or for the serviceman on an exclusive basis. This is a task in which all of us must be equally interested and for which all must be equally responsible.

Would They Barter Liberty for Security?

It is alleged by some political leaders that Canadian servicemen after the war will be willing to barter their liberty for economic security.

At the annual meeting of the Canadian Chamber of Commerce held in the Seigneury Club, Quebec, Mr. J. G. Turgeon, M.P. for Cariboo was in attendance. The Ottawa Journal's columnist, Mr. J. Norman Smith, quoted Mr. Turgeon in the issue of October 30th, 1943, as follows: "Watch out for the soldiers coming home. They have not got their minds away from three or four or ten years ago when they suffered. They will gamble their freedom for security."

It is not very complimentary to Canada's fighting forces to say that they would "gamble away" the very thing for which they have fought and for which their comrades died.

What Mr. Turgeon and his associates apparently do not see is that security is the only basis of liberty; that while there can be no real liberty without security, it would be possible to have security in bread and butter like a slave. But Canadians and especially Canada's returned fighting men are not faced with any such alternative. There is no reason why there should not be security with freedom.

Of course, it was not the security of the returned men or of the people of Canada which brought the Chamber of Commerce to the "synthetic rusticity" of the Seignury Club. It was to find some way of protecting the privileges of those who dominate Canadian industry. Mr. Turgeon says so in his own words. To quote the apt description of his efforts as given by the columnist: "With parliamentary oratory that rang through the corridors of this elegant playhouse for the well-to-do, Mr. Turgeon declared, 'I say business itself is at stake today. It is not this or that political party that is at stake; political parties have passed away before now, but private enterprise is in jeopardy. We are not so far from socialism today as so many complacently believe we are. The only way to save capitalism—I am not afraid of the word capitalism—is to make up our minds that certain things will have to be done'."

There it is in black and white, the same old game. It is not the living conditions of our returned men, or our common people, not 'this or that' but private enterprise is in danger. Some pseudo-reform must be introduced in a big way so as to prevent socialism and preserve privilege. That tactic is as old as capitalism. First, people must be somehow or other made afraid of the thing that could save them; and second, a promise or an actual sop must be offered to appease the righteous wrath of those who are beginning to see more reason for fearing capitalism than socialism.

To say that men who have fought for liberty will barter it for a meal ticket is a deplorable slur. There is no conceivable sort of liberty which is not advanced by economic security. Indeed a man is not even free to starve unless he deliberately chooses to do so when living in economic security. It is not freedom to be starved by cruel necessity.

Willard Waller, in his book *Veteran Comes Back*, has this to say: "When the veteran must return to a degraded and oppressed status at home he may become very dangerous to the established order. A Democracy, a competitive democracy like ours, that cares about human values but expects every man to look out for himself, uses up a man and returns him to the competitive process—and then belatedly recognizes the injustice of this procedure and makes lavish gestures of atonement in his direction which, somehow, never quite suffice to gather up the spilt milk or put Humpty-Dumpty together again."

In 1918 nothing was "too good" for the soldiers. The sky was the limit—on promises. We were particularly proud of our concept of rehabilitation, which we thought of as applying only to the wounded.

And so we appropriated vast sums for hospitals—but never built them. We neglected a great many men who had obvious service-connected disabilities—and thus invited later frauds. We set the great mass of veterans adrift with the magnificent dismissal pay of \$60.00.

Apparently our national psychology reacts sharply to the emotional spree of war. We feel guilty and ashamed and disillusioned. We feel so guilty toward the veterans that we do not permit ourselves to think about them.

If, in the years immediately after the war, we do not give the veterans what they need and have a right to have, they will in later years force us to pay a heavy price for our thrift."

Today we are faced with the problem of finding suitable employment for all service men who are able to work, without thereby bringing unemployment to their friends and relations who worked and contributed to make victory possible while they fought. There will also be the obligation to provide adequate pensions for the dependents of all who made the supreme sacrifice and for those, who while escaping death in the line, returned disabled.

How Russia Takes Care of Her Servicemen

Because the Soviet Union is founded on the principle that a nation's greatest wealth lies in its human resources, the program it has adopted for the rehabilitation of its people's army is of considerable interest at this time.

Here are some of the things the Russian Soviets are doing for their veterans, as related in a book entitled "The U.S.S.R. in Reconstruction.":

Every resource that medical science and surgery can muster is at the disposal of the disabled soldier. While being restored to health, he is fully supported by the government, can study for any trade he chooses, while the more seriously injured are taught handicrafts in labor homes. Heads of factories and other government enterprises have been ordered to find suitable work for all war invalids sent to them by bureaus of the Social Welfare Commissariat. Those considered unfit for industry are placed in clerical or administrative posts in keeping with their abilities. Work at home is arranged for those unable to go out to jobs. Trade unions contact all members who have returned from the fronts, to discuss with them their experience and ambitions; then they channel the veteran into the job he is best suited for. Those returning to the collective farms are often honored with the chairmanship of the collective farm they left to defend. Many veterans are elected to offices within the gift of the village soviets. This shows how the people are going out of their way to make life pleasant for veterans and their families.

Today, in Leningrad, 60% of the city's war invalids are working at their former job or profession, 14% are engaged in more-skilled work than formerly (due to government-aided training), and 26% of the more seriously disabled are doing less-skilled work than formerly. Yet in every case these veterans are producing more than their normal output.

War invalids throughout the U.S.S.R., in addition to their wages and pensions, not only are given priority on housing accommodations, but also receive gifts of clothing, fuel, and money from local authorities and can shop in stores which have been established especially for them. Furthermore, one of the greatest morale builders in the Red Army has been the average soldier's knowledge that in the event of his death, his wife, children and parents will be cared and provided for—that his family would receive a lump sum ranging from \$1,000 to \$5,000 in our money, to be followed by periodic allowances to surviving dependents.

Children of servicemen are exempt from all fees charged in nurseries, kindergartens, the upper grades of secondary schools, colleges or universities, and are even exempt from the nominal fees usually charged in either the schools or the special wartime children's dining rooms.

A good many further details of Russia's rehabilitation program for veterans and their families could be given, but perhaps sufficient details have been cited to establish our main point—which is not that Canada, the U.S.A. or Great Britain have failed to make generous provision for their veterans, but that a socialist republic has established a standard in soldiers' rehabilitation that we must not only do our utmost to equal, but should try to exceed.

After all, haven't our men fought for ideals that are as precious to us as the ideals which inspired the Russians? Our soldiers fought for Democracy, and it is up to us to make it meaningful to them.

What We Should Do For Our Servicemen

This review of soldiers' post-war needs is not intended to be comprehensive. It outlines the chief tasks to be undertaken by a grateful nation; and its purpose is to indicate how a system based on social and economic justice would perform them. These matters which affect our service men, as distinguished from the common needs of all, must be met by special provisions, and with a generosity worthy of the generosity and courage of those who risked or gave their lives that the present and future generations might be free.

Here are, in brief, our proposals to meet the needs of servicemen as summarized above:

Every returned man found by proper examination to be fit for work shall receive pay sufficient in amount to enable him to obtain a standard of living which a generous nation thinks worthy of its heroes. Such pay shall begin at the moment of discharge and shall continue until the recipient has been placed in a position where he can earn the amount required for that living standard by his work.

Those who, through physical disability, may not be able to earn sufficient income to maintain the accepted standard must have the difference paid from the public treasury. After the last war, governments were more interested in the annual balance sheet than they were in satisfying the rightful claims of returned men. Every conceivable sort of subterfuge was resorted to so as to delay a claim, presumably in the hope that it might be ultimately side-tracked. It was then the practice that a service man

must prove that his disability was due to war service before he could get any consideration. This must be reversed so that the onus will be on the government to prove that the application of any given individual is not valid. Adequate pensions will accordingly be provided, as well as proper health services for all disabilities due to war service.

A soldier's wife will, under socialism, suffer no material inconvenience from which her deceased husband, if he had lived, could have protected her; his children must be as well fed and clothed and have the same chance of higher education as if their father had survived to provide for them. This is not only a legitimate cost of war, it is a moral obligation which dare not be violated in the future as it has been in the past. Pensions for dependents must therefore be so high that no child of any dead soldier shall have less of the essentials of life than that of the offspring of a living millionaire.

Then educational allowances must be provided for the men who desire to complete the education which war service interrupted. This allowance must be adequate. The final figure to be fixed must depend upon the fees to be paid, the cost of living at the high living standard which Canada's producing capacity warrants, and also allowances for wife and children or other dependents. These, then are specifically servicemen's problems. Of course in general, the problems of servicemen do not differ from that of all other citizens. A way of life that solves the farmer's problem and that of the industrial worker, will also solve the general difficulties of the soldier at the same time. If our present system fails again, as it did after the last war, to meet the needs of its citizens, then all returned soldiers will suffer correspondingly.

A socialist society can meet all the needs, not only of our servicemen and their dependents, but of all their friends and neighbors—the citizens. If in the post-war years Canada can reach and maintain an annual output of wealth which is limited only by physical capacity, then we would have a surplus each year over present living standards which would more than equal our expenditure for war in 1943.

Up until the war the leaders of the present system showed that they do not know how to maintain full production. They do know one thing well, however, and that is the policy of divide-and-rule. Just as they try to keep alive the unreal division between the worker and the farmer, so do they try to drive a wedge between the soldier and the worker.

The soldier must see through this sham for what it is—an attempt to play one section of the population against the other, so that while disunity and chaos reigns supreme, reaction can entrench itself in the driver's seat.

The soldier and the veteran must realize that it is better to walk with labor, the farmer and the middle class towards a world that will make wars impossible, than to ride with reaction back down the road to the Hungry Thirties and the conditions which breed war.

Stop the Next War Now

Soldiers and the working civilians, after the present war is won, will have interests that go beyond our own boundaries. They want to make sure

that their young children will not have to fight another war twenty years after the end of this one.

The future peace of the world is probably the first concern of every serviceman who escapes the dangers of war and lives to return to his family. For returned men know that if another war comes, then all the sacrifices of human life in this one has been wasted without any result except that Hitler was stopped long enough for another Hitler to rise in his place.

And they know too, that if another war is not stopped now, their sons will have to go through a worse Hell than even they themselves have had to endure. These are potent reasons why returned servicemen will do well to examine the international relations which would be possible for a socialist nation to promote.

It must be remembered that the competitive international relations resulting from economic imperialism have led to war in the past and threaten the chances of an enduring peace. It is but a short step between aggressive greed and aggressive military operations. It was aggressive greed which wrote the Treaty of Versailles and which with the same hand smothered the League of Nations in its swaddling clothes.

It is important to punish all fascist leaders and all grades of quislings; it is essential to arraign all war criminals before an international court and to punish them for their crimes against humanity; it is imperative that the fascist and military organizations be uprooted in all lands. These are, however, negative and surface treatment of an international cancer. All these things can be done and to a considerable degree probably will be done unless it should happen that a too rigid pursuit of fascists might lead to some important back doors, in Britain, Canada, and the United States. Collaborators strutted unashamed in high places, (for few countries were exempt from the breed) in the years immediately before "Munich," and certainly they should be hunted up and punished. But let that be done ever so thoroughly, it will not avail unless other and far more fundamental things are done. Cutting down Nazis even unto death would be like cutting down a crop of hay. As long as the roots from which Nazism and war spring are left in the soil of the international field they will grow again.

And speaking of Fascism, let us never forget this interesting chapter in British history: For many, many years Lord Vansittart was a high-ranking "civil servant," and was, therefore, in a position to acquire inside knowledge of what was going on in Britain—politically, financially, and diplomatically. He retired after this war started and King George rewarded him with a seat in the House of Lords.

How was Hitler able to finance the war machine he has used to terrorize the world? Vansittart's answer is that British and other international bankers loaned him \$7,000,000,000! The money was raised by selling German securities to investors in Britain, the United States, and other democratic nations, and now practically all those securities are in default. Mussolini was financed in the same way.

If the bankers had not advanced these enormous loans, this dreadful war would not have occurred, because the champions of fascism would not have been able to enslave the people of their own countries and prepare for the subjugation of the rest of the world.

Peace is Indivisible

A true democracy not only seeks to establish justice at home among our own people, it sees the importance both to our people and to peoples in other parts of the world, of the policies followed in international relations. A people's government, therefore, would not only punish war criminals and destroy Nazi organizations; it would encourage the formation and growth of democratic organization in defeated countries as well as in those countries which have been overrun by the Nazi war machine; it would help restore the Labor Unions; it would help re-establish the co-operatives; and would foster a brand of diplomacy which would be as public in its negotiations as it is in its implications. But even these things are secondary to the great and fundamental things which socialism alone can do to put an end forever to war as a means of settling international disputes.

Nationalism must yield sovereignty in all matters which involve peoples in other lands; imperialism must give place to world government and to an accepted principle of world economics. On that basis, and on that basis alone could a world court of international justice be established; on that basis alone would it be either effective or respected.

The real socialist world unit is humanity. The planet is the home of man. From it all men, no matter which part of the planet they inhabit, must obtain the means of livelihood. And the resources of the planet must be available, on an equitable basis, to all peoples who live thereon.

Basic democracy begins this great program of humanity's economics at home. Let Canadians produce to their physical limits; let them be free to exchange their surplus products with peoples of other lands and we shall have put down the corner stone of world peace. Then we must reach a hand across the Arctic Circle. Co-operation with Socialist Russia will be one of the first international steps for a Socialist Canada to take. Canadian fighters who have had so much in common with Russian fighters, both of which forces have stood together in misery and death; armies of different lands which have meant so much to each other in the fight, must stand now as the Russians stood at Stalingrad and the Canadians stood at Caen; but they must stand together for the parliament of man, The Federation of the World.

If you are a "realist," inclined to dismiss such aspirations as impractical idealism, what will you say in reply to Matthew Halton, one of the great front-line reporters of the present war? "Idealism," wrote Mr. Halton, "is the only realism—and the world had better start listening to idealists if it wants to save itself from another war."

Can a Christian Defend Capitalism?

We can cry until Doomsday for virtue but we shall never get it as long as we are organized for vice—CARL DREHER.

Socialists welcome to their ranks, men and women of every variety of religious belief, no less than of every race, color or creed. It is for this reason that famous religious leaders, like the late Bishop Brown, the Dean of Canterbury, the late William Temple, Archbishop of Canterbury, Dr. Harry F. Ward, for many years head of the Dept. of Christian Ethics at Union Theological Seminary, and thousands of others throughout the Christian world, came to look upon Socialism as a fulfilment of the highest Christian ideals.

They subscribed, in effect, to the following sentiment that was expressed by the renowned Canadian churchman and sociologist, Dr. Salem G. Bland: "Christianity and the present economic system are as essentially and incurably incompatible as ever were Christianity and slavery, and one or the other of them must go."

The question as to the Christian or Unchristian character of capitalism is not one of speculation nor of belief in this or that doctrine—not one of protestation nor of declared ideals but one of actual fruits. What has capitalism done to the bodies, minds and souls of men? A social order must stand as being Christian, or fall as Unchristian, by that test.

If it is ethical to free the human mind and body from the determining influences of blind, remorseless forces, it is equally moral to set an objective for society which will sum up human idealism. Let it be the acknowledged aim of the democratic world, above all else, to make human beings happy individually and collectively. Let human values take precedence over all else of an economic, business, social or political character.

To all such questions as "What is an economic system for? What are schools for? Do all men merit happiness? Am I truly my brother's keeper?" the answer should be: in a society guided by intelligence towards a human purpose the greatest happiness of mankind will be the dominant objective.

What is wanted in a social system which is heading for that ideal state of life, with a purpose so noble as not to do violence to the best human feelings and desires, cannot be supplied under a system of individualism and competition, where there is no collective purpose nor altruism.

Free private enterprise, stripped to fang and claw, cannot give this necessary purpose; politics based upon competitive economics and in a constant struggle for power cannot supply it. Neither can nationalism nor imperialism, with their lust for conquest and domination, give this purpose.

It is clearly the function of religious institutions to help give the required social direction. The influence of the church for social and economic righteousness should be so strong that political groups which ignore the highest human values would have no chance for existence.

It follows that our present economic system, based upon greed and selfishness, and devoid of social and economic justice, is not Christian, and that the people in control of such a system do not merit the title "Christian."

Was it Christian to allow the flower of our youth the degrading right to travel this continent in box-cars seeking for work? Was it Christian for the church members throughout the free world to sit by and watch the persecution of the Jews in Germany? Was it Christian to permit Father Coughlin to carry on his insidious Fascist propaganda? Was it Christian to allow the shipments of scrap iron to Japan? And was it Christian for us to sit by watching the preview of World War II in Spain, while we permitted the legally elected government of the Spanish people to be done to death under the hypocritical device of "non-intervention?" And is it Christian, while we have at our disposal thousands of uninhabited acres, to permit laws to remain on our statute books that prevent defenceless refugees from entering our shores, while we allowed the butcher Machado the right to sanctuary? Was it Christian to allow Nazi criminals like the Strasser brothers, onetime bosom pals of Adolf Hitler, the right to sanctuary within the borders of any democratic country? These questions could fill an entire book, but surely the questions we have just asked are sufficiently pertinent to indicate the extent of our failure as a self-styled Christian society.

A Great Editor's Grim Warning

William L. White recently visited Russia, and his chief complaint was: the Russians lack the freedom of enterprise which made America so great. In making this charge against the Russians, he must have completely forgotten one of the most striking statements ever made by his father, the late William Allen White, the brilliant, honest and clear-minded editor of the Emporia Gazette.

Returning to his home town from a visit to wartime Washington at the height of America's effort to outproduce the Axis, William Allen White declared: "It is silly to say the administration runs this war show. It's run largely by absentee owners of amalgamated industrial wealth."

He believed these managerial magnates to be decent Americans, possessed of great talents. Then he made this unforgettable remark: "If you touch them in nine relations out of ten, they are kindly, courteous, Christian gentlemen. But in the tenth relation, where it touches their own organization, they are stark mad, ruthless, unchecked by God or man, paranoiacs, in fact as evil in their designs as Hitler. They are determined to come out of this war victors for their own stockholders . . . This attitude of men who control the great commodity industries and who propose to run them according to their own judgment, do not make a pretty picture for the welfare of the common man. These international combinations of industrial capital are fierce, troglodyte animals with tremendous power and no social brains. They hover like the old silurian reptiles about our decent, more or less Christian civilization—like great dragons in this day when dragons are supposed to be dead."

If ministers of the gospel dread the prospect of eventually facing empty church pews, with the common people searching for a new spiritual dynamic outside the church, they had better stop to reconsider the very foundations of a society which allows such anti-Christian behaviour.

Christianity, which began as a revolt against human slavery, injustice and oppression, never changed its basic doctrines. These still remain as pure and as inspiring, in their written form, as when first uttered. But purely verbal religion has lost its appeal to the masses of mankind, who view with no small degree of dismay and sense of frustration, the steady transformation of their champion, the church, into an institution which draws altogether too much of its support from the well-to-do—a church which in too many instances has taken on the role of apologist for a predatory business civilization that in no way measures up to the Christian ideal. To quote the Archbishop of York: "The vast system of beliefs, practices and policies . . . which may roughly be called Western civilization, reached its zenith in the last century. It was admirably adapted for the production of wealth and power . . . Its motives were non-Christian, self-interest competition, the struggle of rival forces . . . If it is to be a blessing, not a blight, its motives must be transformed."

Socialists would remind the church that even the preaching of what is called "the social gospel" is not, in itself, enough. The church must find ways and means of inspiring the common people to take whatever action is necessary for translating the great ideals of Christianity into a living reality. It must strive to recover its lost position as a "people's church"—the role it fulfilled in the beginning.

I am convinced that the time has come for every Christian to face courageously the issues which have been raised by the developments of our time, which have been referred to in this book. His choice is between the so-called system of Free Enterprise and competitive chaos on the one hand, and true Christianity and human brotherhood on the other. "Once to every man and nation comes the moment to decide," and that decision will determine not only the fate of Christianity but the ultimate fate of the human race itself.

Socialism on the March in Europe

Socialism is not national in its scope. It is international. Nor is it isolationist in its application, for it believes in the principle that if a people in one country suffer privation, misery and want then its healthiest neighbor will also become infected with the scourge of a disease-ridden system that breeds these evils.

Hunger, pain, injustice knows no barriers of race, color or creed. They stop at no borders, even oceans are little protection against these evils.

Socialists maintain that a people can be liberated economically, politically, spiritually and morally only when the down-trodden world over are wholly emancipated.

In Europe, the shackles imposed by the brutal manifestations of the Old Order have been torn asunder. At last, the Common Man is determined to lay the foundations for a better way of life.



On this continent, most of the old obstacles to progress still hinder our forward march.



Old Fears and Outworn Ideas must be discarded before mankind can start to usher in a new era of freedom, security and abundance.



While we are discussing socialism as a way of life in this, the free world, we must see to what extent there is a chance for a re-birth of socialist thought in Europe.

The people of Europe have lived for centuries in semi-serfdom, ruled by feudal lords who drained the people of their vitality and the land of its fertility. After the first world war socialist thought, given impetus by the success of the Russian Revolution, began to take root on European soil.

A cry about the impending threat of Bolshevism was raised and a rabble rouser by the name of Hitler sold the German ruling class on the idea that he could stave off this rising threat. As Fascism grew in Germany and set out to conquer the world the feudal lords of Europe threw in their lot with this paper-hanger as a lesser evil than the new ideas that were sweeping across the length and breadth of Europe.

The rest is history. Thus it was that the blackest pages in history were written in blood and stained with human tears.

After ten years of war in Europe, and if you go back to the Spanish Civil War it will have been fifteen years, eastern and western Europe is one vast scene of devastation. Five million European Jews have been exterminated, millions of Poles, Czechs, Yugoslavs, Dutchmen and Frenchmen have been swallowed up by this holocaust. For fifteen years relentless terrorism and political concentration camps have reigned supreme.

But not everywhere in Europe was the spirit of resistance crushed, nor the spark of freedom extinguished. In Greece and Yugoslavia, in Belgium and in France the people withdrew to the hills, where the Partisans and the Maquis made an alliance with the thickly-wooded cave-pocketed, rock-strewn summits and precipices. Here every inch of ground became a fortress, every tree a Partisan.

Here they fought against terrible odds until the forces of Russia from the east and the allied forces from the west helped them to liberate their lands.

Europe and Ourselves

Today, wherever the people have had their say, be it in Poland or Yugoslavia, Belgium or France, they have definitely spoken out against their old way of life, discarded their old rulers in the ashcans of history and shown a burning desire to fight for and build a new and fuller life.

For the people know that to re-build Europe on its old foundations would set the world on the path that leads back to chaos, fascism and war.

Europe's homes are now reduced to ashes, her farms to wasteland, her factories to rubble, her people need food and help to rebuild their health. So many are now underfed, crippled, disease-infested.

Europe will need machines and industry to restore her civilized life, farm machinery, seed, livestock and clothing, medical supplies and hospital beds and many other necessities of life.

These things and more we must give to Europe—for a Europe which cannot emerge from its present chaos is a continent which will become the scene of yet another world war.

Max Lerner, leading editorial writer for the newspaper PM, asks the question: "Can Europe become Socialist and Democratic?" and he answers his own question this way:

"The best impulses in Europe today are those that look forward towards a democracy which not only has democratic political forms but also a democratic, economic base. Americans are generally hesitant about calling this 'Socialism,' but Europeans don't regard the word as a bogey. They want economic socialism just as they want political democracy.

"In Britain the Labor Party is expected either to win the next general election or at least come very close to it. In France the thinking of the large majority of people—at least in the cities—is basically socialist with a small 's.' Whether the people involved belong to the socialist party or the communist party or any of the others left of centre.

"In Belgium there is now a socialist prime minister. The deep trend of feeling in Italy is toward some form of socialism. When Franco's bloody hand is removed from the throats of the Spanish people they too in all probability will want to fuse the Socialist energies of the various progressive parties."

Charles Davila, writing in The Nation, "Towards a Socialist Europe," says: "The people's previous patience is gone. They are in the mood to bring about deep and immediate changes in the social and economic structure of all European countries. Thus a new factor, one that may lead to the unification of the whole of Europe, by overcoming nineteenth century chauvinism has made its appearance. It supplies Europe with a new common denominator that should be stronger than European capitalism, always handicapped by excessive selfishness and particularist tendencies.

"This new phenomenon ought to be gratifying to the architects of peace, for Europe is too small to remain peaceful without a common principle of political authority based on a common social and economic structure."

The people of Europe need from us much more than material aid. They need—just as much as food, clothing and machinery—sympathetic governments at the helm in the democratic countries of the world and particularly in Great Britain, the United States and Canada. Forms of government that will understand their just aspirations and give practical assistance to help them usher in an era of political as well as economic democracy.

The common people must never forget the role played by our governments during the Spanish Civil War when the common people of Spain were defending their legally elected government against the murderous combined onslaught levelled against them by General Francisco Franco, so ably assisted by Nazi Germany and Fascist Italy.

What did our governments do? They took a "neutral" attitude towards the first rape of a European democracy—and this was the prelude to world war number two.

In the meantime Canada sold nickel to Japan that was later used in the war on China and still later at Pearl Harbor.

Just as Chamberlain and the Cliveden set could reach an understanding with Hitler Germany at Munich, ignoring the democratic aspirations of the little people of France and Belgium, Holland and Czechoslovakia—because of class interest.

In the same way and also because of class interests a people's government in Canada could sympathize and give practical assistance to Soviet Russia in re-construction and act as a midwife to Europe in the pangs of re-birth—for we and the people of Europe as well as the ordinary people all over the world have common aims and mutuality of interests.

The Time for Decision Is Now!

*New times demand new measures and new men;
The world advances and in time outgrows
The laws that in our fathers' day were best;
And doubtless, after us some purer scheme
Will be shaped out by wiser men than we,
Made wiser by the steady growth of truth.*

—JAMES RUSSELL LOWELL.

Professor Robert S. Lynd, chairman of the Department of Sociology, Columbia University, in an address delivered before the Research Bureau for Postwar Economics, had this to say:

"I believe that scientists and engineers—if they care at all about democracy—face today a choice they have never before in our national life been forced to make. From now on it is going to be increasingly difficult to dodge this choice and to pretend to be neutral.

"The choice is nothing less than a choice between working as a scientist or engineer for a monopoly big-business run state moving in the direction of fascism, or working for an all-out extension of democracy to our present economy, involving large scale public control and the goal of mass-welfare rather than profits.

"The choice we have to make is a momentous one: it concerns (1) whether monopoly big business will move in on us and take over the government apparatus and run the nation in an increasingly fascist direction; or (2) whether a democracy will take over technology and other basic national resources and run them for the mass-welfare.

"That is the choice that the scientist faces. It involves a choice between two fundamentally opposed methods and objectives in running society and using science and technology.

"If one does play the ostrich and refuses to choose, one will be used anyway and your vote will be cast for you by somebody else.

"What then, is the stake of the scientist and the engineer in whether his world, including his skills, is run by monopoly big-business or run by all-out democracy?

"A monopoly big-business dominated social system, while offering fat returns to the few key persons willing to do its jobs, can mean nothing other than the long-range frustration of science pure and applied."

Nobody is neutral, whether it be the worker, the farmer, the soldier, the shopkeeper or the scientist. There is an ever-growing awareness of the dangers we face from what Dr. Harry F. Ward calls the "Fascist Slogan of Free Enterprise."

The type of reaction to be feared here may not take the same form as did fascism in Germany, Spain or Italy; it may not don brown shirts or black shirts, nor use the Swastika as a symbol; but nevertheless it will have all the earmarks of reaction necessary.

It will come under the guise of Free Private Enterprise. We will be forced back into a state of prewar insecurity, both by legislation and economic domination. Henry Wallace was aware of this grave danger when he said: 'Unfortunately, we are much further from victory over fascism than from victory over the German armies. Fascism fights us in both continents in the New World. Fascism will fight on from new bases after military victory is complete.'

What has been called "The Revolution of Our Time," is fundamentally a revolt against Scarcity, Insecurity, Squalor, Ignorance and Disease. We can now control virtually all of the elements of nature; nor is human nature an obstacle. The question is whether we can conquer poverty. Our old order has shown that it is incapable of giving us security, except under the imperative need for full production in times of war.

In Europe a dying capitalism entrenched itself in power through the vilest system known to man—Fascism. Under this system, man became a slave, while those who enslaved their own and neighboring peoples did so to the accompaniment of the most nauseating brutality ever recorded in the history of our race.

The people of France, of Yugoslavia, of Belgium and Greece, have indeed learned this bitter lesson by allowing this unutterably vicious system to take root in their soil. But, with their liberation, they are now ready to usher in a new era in Europe.

We of the free world must be ready to join them in their great forward march towards "The People's Century." We can only join their march when we have, in our countries, governments that are sympathetic to the people's cause—for governments that are remnants of the old order will eventually lead us back to greater and costlier wars and perhaps the end of civilization itself.

It has been only through the superhuman effort of the common people—the Maquis and the Partisans of Europe and in our countries the millions of workers in fields and factories, along with their sons in the armed forces—that we have been able to halt the menacing advance of world-wide fascism.

Max Lerner tells us that the people of Europe are not afraid to call economic democracy socialism. Yet there are those of us here who believe in full employment, in the necessity for decent homes for everyone, in

health for all, in free education, and in generous treatment of the aged and helpless; who recognize the need for social and economic planning in wartime, yet consistently go to the polls year in and year out to help perpetuate the power of the very people who contrive to keep these human needs from being fulfilled.

The time for a complete readjustment in our thinking is now. The time for meditation and thought is today. For tomorrow we must be ready to join peoples the world over who, like ourselves, are preparing to usher in the age of social justice, economic security and abundance for all.

Tomorrow we shall rediscover man himself and build a civilization worthy of his best. There are deeper wells of greatness in human nature than have so far been suspected. Then youth, too, is for a new system. The young people of Canada are looking for leadership. They are wise enough to sense the danger of the present system, and to appreciate the instability which will come from the denying of the necessities of life in the midst of abundance. Finally, that great force referred to as the "will to live," has not lost its cunning, nor its creative genius. Having brought the race from the slime of incipient life to the highest achievements of modern civilization it will not now abandon us. It will discover what to do with abundance. The real challenge to capitalism does not come from communism or socialism, it comes from the will to live inherent in humanity. Capitalism must meet this challenge of life or perish. Life will not be defeated.

With such a heritage of power there is no room for fear; with such strivings the vital instincts of the race, civilization will and must come through. Despairs are but passing clouds before the vision of the mind. Our fears are like the dreams which waken children in the night. Such defeats as we fear may come to individuals, but the race is born to victory. The great tomorrow is like an unborn babe in the womb of time. The sufferings of the moment, which are real and tragic, are the pains of birth. The life of civilizations like that of the race, must find its survival in new birth. This truth I put down as the sure basis of hope. Beyond the happy scope of myth no corpse has ever come to life. Those who expect to resuscitate capitalistic civilization, like those who spend their time at graves, in readiness to welcome resurrection, shall wear forever the dark mantle of despair. New thoughts, new ideals, new systems, and new hopes are the new-born children of today who shall be in command tomorrow.



MEET OUR AUTHOR:

An Ace Writer and
Journalist in the Canadian
Labor Movement

A lifelong habit of painstaking research; a unique gift for presenting highly essential information in crystal-clear prose; a burning desire to let people know the truth about "an economy of waste and disaster" and what can be done in the way of social reconstruction; all these combine to make William Irvine one of the ablest writers on this continent.



Happily, there isn't the faintest suggestion of an "ivory tower" approach in Mr. Irvine's writings. For when it comes to writing about the problems of the farmer, the wage-earner or the middle-class professional man, he is on familiar grounds—he has been all of these in the course of a brilliant, colorful career that began when he came to Canada in 1902 from Scotland, worked his way through a Manitoba college to become a minister of the United Church, later turning to farming, to publicity work for the United Farmers of Alberta, and to labor journalism. His many

articles, books and pamphlets have had wide circulation, and his lecture tours across the country were heard by thousands of people who enjoyed his witty and penetrating discussion of vital problems from the public platform. In 1921, he was elected to the House of Commons as M. P. for East Calgary, where he joined forces with the Labor members and the progressive farmer-members (known as the "Ginger Group"). In 1932, under the leadership of J. S. Woodsworth, these groups formed the basis for a democratic socialist party—the C. C. F.—for whom Mr. Irvine became the leading publicist and pamphleteer. In rapid succession he wrote *The Political Servants of Capitalism*, *Co-operation or Catastrophe*, *The Forces of Reconstruction*, *Can a Christian Vote for Capitalism?* The latter pamphlet carried a Foreword by the renowned Canadian church leader, Dr. Salem G. Bland, who praised Mr. Irvine's "marked and intelligent interest in the need of radical social reconstruction."

In "*Is Socialism The Answer?*" we have a book in which this veteran author's practiced pen is at its best. Startling, but always vitally important, facts are driven home with devastating force. Humor alternates with scathing denunciations of exploitation and special privilege. Here the reader will find an inspiring outline of the essentials of Basic Democracy—together with a constructive, inspiring plan for assuring peace and security, freedom and abundance for all.

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Irvine, William, 1885-196

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